

Action plan for the implementation of the long-term strategy

European Commission – DG Reform

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VISION
2035
CYPRUS

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Purpose of this report

PwC was commissioned by the European Commission's DG REFORM to provide support for the development of a long-term economic strategy for Cyprus. The general objective of the service contract is to contribute to the institutional, administrative and growth-sustaining structural reforms in Cyprus. The specific aims of the service contract are to support the:

- Initiatives of national authorities to design their reforms according to their priorities, taking into account initial conditions and expected socioeconomic impacts.
- National authorities in enhancing their capacity to formulate, develop and implement reform policies and strategies and in pursuing an integrated approach, ensuring consistency between goals and means across sectors.
- Efforts of national authorities to define and implement appropriate processes and methodologies by considering good practices of and lessons learned by other countries in addressing similar situations.

The direct beneficiary of this contract is the Cyprus Economy and Competitiveness Council, an independent advisory body, established by a Council of Ministers' decision in June 2018. The implementation of the project will also be supported by the Directorate for Competitiveness and Growth of the Directorate General for European Programs, Coordination and Development (DG EPCD), acting as Secretariat to the above Economy and Competitiveness Council.

Other beneficiaries include all line Ministries in Cyprus that will be responsible for the implementation of strategic plans and reforms, as endorsed by the Government. Some Ministries are also involved in the implementation of the project, either through their participation in the steering group or on an ad-hoc basis, during consultations. Finally, the Cyprus economy, policymakers, businesses, households, society at large and individual communities and citizens will benefit from the development and implementation of a sustainable long-term strategy.

This report succeeds the Phase 5 Long-term economic strategy report, which presented in detail the long-term strategy towards a new economic model. It took Vision 2035 and the selected growth model and set out a long-term strategy for sustainable growth to achieve it. Specifically, it identified key goals, pillars and sectors of the new strategy and outlined initiatives, policies and reforms within each pillar, including sectoral strategies.

This report takes the long-term economic strategy and develops a detailed action plan for its implementation. Specifically, this report:

- Provides recommendations on the governance structure to drive, monitor and safeguard the implementation of Vision 2035 through this action plan as well as, the ongoing strategic planning and development of Cyprus.
- Develops each initiative providing its title, context, key activities, owner, other contributing stakeholders, indicative start and end dates, links to other national strategies, studies and plan and relevant case studies.
- For each initiative, it provides a qualitative assessment of the expected impact and ease of implementation of each initiative, which are used to prioritise and sequence the initiatives over the timeline until 2035.
- For each initiative, it provides indicative information regarding possible sources of funding such as, the national budget, the Recovery & Resilience Fund, the Technical Support Instrument, etc.
- Provides a brief guide to prospect initiative owners to provide important pointers and guidance on their approach to initiating, implementing, managing and closing their respective initiatives.
- Aims to call to action policymakers, businesses, and citizens of Cyprus to engage with and work towards Vision 2035.

While each initiative outlined in this action plan is evidenced and detailed in terms of how it can be implemented, this document should not be seen as a policy design document. There will be a significant amount of additional detailed policy scoping and design required before implementing any of the suggested changes.

This report is accompanied by a MS Excel spreadsheet, which summarises the key parameters of the action plan in a table format and can be used as a monitoring tool for the overall progress on the implementation of the strategy. This spreadsheet also provides an indicative gantt chart and a matrix summarising initiatives by prospective initiative owner to facilitate upcoming discussions aimed at securing ownership of the initiatives and alignment on expectations.

The next step of this project is to design the outline of a communication strategy for the implementation of the new economic model, which will include the main challenges for acceptance by the stakeholders, including the social partners, business and academia, the Parliament, political parties and the civil society. The design will aim to address resistance to change, generate the engagement and commitment of all stakeholders and encourage participation and acceptance by the general public.

1

Executive summary

Executive summary

Over the course of the past twenty months we conducted interactive stakeholder engagement activities involving Cyprus' public and wider public sector, businesses, academia and civil society and worked closely with the Cyprus Economy and Competitiveness Council, Cyprus authorities and the European Commission (DG REFORM) to identify Vision 2035 and develop concrete recommendations on how the current economic model should evolve to deliver this vision.

To make this happen, it needs a long-term plan: one which transforms the current economic model so that it addresses the global and local challenges of the future—including digitalisation, automation, climate change and rising levels of competition from within and outside the EU—which maximises economic growth in a sustainable and resilient manner to the benefit of all Cypriots.

This report sets out the action plan for the implementation of the long-term strategy to realise Cyprus' Vision 2035 and to transform the country to one of the world's best places to live, work and do business. Specifically this report:

- Sets out a governance structure to underpin the successful coordination, monitoring and implementation of Cyprus' Vision 2035 as well as, lay the foundations for ongoing long-term strategic planning and development looking beyond political cycles;
- Describes initiatives whose combined implementation will deliver the Vision 2035, providing information such as the initiative's title, context, key activities, prospective owner, other contributing stakeholders, indicative timeframe for implementation, links to other national strategies, studies and plans and case studies that may provide further food for thought and inspiration;
- Considers the expected impact and ease of implementation of each initiative on the basis of criteria to support their relative prioritisation and sequencing over the time horizon;
- Provides a brief guide to support prospective initiative owners in initiating, planning, driving and managing the implementation of their respective initiatives.

The action plan to deliver Vision 2035 consists of 242 initiatives, which cover all horizontal (cross-cutting institutional, social, economic and environmental initiatives that are critical to unlocking potential across the economy and society) and vertical (sector-specific initiatives required to realise the sector's growth and potential) areas presented in the long-term strategy. 38% (92) of these initiatives across all areas are also included, partially or fully, in the Cyprus Recovery & Resilience Plan (RRP) and 30% (74) of the initiatives are planned to commence by Jan. 2022. Vision 2035 is underway through the RRP.

A coherent governance structure should be set up to underpin the successful implementation of Cyprus' Vision 2035. An appropriate governance structure is of paramount importance to create authority and accountability, while putting in place the relationships and information mechanisms that will enable effective coordination, decision-making, risk management, monitoring and communication of outcomes achieved. In essence, setting up an appropriate governance structure is the catalyst for taking Cyprus from vision to execution successfully, in a coordinated and timely manner.

Reforming is a continuous journey which means that the Cyprus authorities should not stop with Vision 2035. But rather, Vision 2035 aims to develop the right governance structures and attitudes within the public and wider public sector to ensure that Cyprus's growth plan is effectively planned, monitored, evaluated and refreshed to reflect the latest global, EU and national developments and best practice policies. The governance structure set out in this report will lay the foundations for this.

Despite efforts to provide a comprehensive and complete action plan, it should be recognised that the development and implementation of long-term strategic plans is a dynamic and evolutionary process, whereby the economic and social conditions and the administrative capacity within the public and wider public sector will naturally lead to changes to the action plan presented in this report. The governance structure set out in this report will safeguard that the Vision 2035 and specific initiatives therein are continuously monitored with an aim to drive their implementation and also fine-tune and adjust them as needed.

Getting the sequencing of implementation of such a wide-reaching set of long-term reforms, investments and policies right is challenging, but critical. The principles we have applied in determining the sequencing of the initiatives are:

- Avoid delaying reforms along any dimensions while respecting their complementarity and dependencies;
- Prioritised initiatives which underpin progress in others, are assessed as low-hanging fruits and aim to create fundamental change in the status quo.

Throughout the action plan 40 different initiative owners are identified and 81% of the initiatives are assigned to 12 (30%) of these owners. This fact combined with the need to upfront load the implementation of horizontal initiatives to unlock growth potential raises considerations over the administrative capacity of Cyprus authorities to deliver.

The action plan consists of 242 initiatives, 30% of which will have commenced implementation by January 2022 through the Cyprus Recovery & Resilience Plan

The action plan to deliver Vision 2035 consists of 242 initiatives, which cover all horizontal and vertical areas presented and analysed in the long-term strategy. 38% (92) of these initiatives across all areas are also included, partially or fully, in the Cyprus Recovery & Resilience Plan (RRP) and 30% (74) of the initiatives are planned to commence by Jan. 2022 as shown in the table below. Vision 2035 is underway through the RRP. Throughout the action plan 40 different initiative owners are identified and it is worth noting that 81% of the initiatives are assigned to 12 of these owners are shown in the table on the right.

	Strategic Objective	No. of Initiatives	No. of initiatives fully/partially covered by RRP	No. of initiatives already in progress
Horizontal	Effective government machinery	17	6	6
	Efficient legal system which resolves disputes fast	9	4	4
	Open, transparent and fair marketplace	18	10	6
	Ownership to shape its future destiny	3	0	0
	Powerhouse of innovation	8	7	7
	Supported by digitalisation	15	6	4
	A greener economy	54	20	15
	Diversified, sustainable and resilient	13	2	1
	World class education system	28	14	14
	Excellent and accessible healthcare system	7	2	2
	Adheres to the rule of law and combats corruption	9	4	0
	Promote liveability, equal access and opportunities for all	22	3	2
Vertical	Tertiary education	11	2	3
	Tourism	10	3	3
	Agriculture	9	4	2
	Manufacturing	3	2	1
	Maritime industry and shipping	5	2	3
	Professional Services and ICT	1	1	1
	TOTAL	242	92	74
			37.9%	30.5%

Initiative owner	Number of initiatives
Ministry of Education, Culture, Sport and Youth	39
Ministry of Finance	30
Deputy Ministry of Research, Innovation and Digital Policy	28
Ministry of Energy, Commerce and Industry	24
Ministry of Agriculture, Rural Development and Environment	22
Ministry of Interior	16
Ministry of Labour, Welfare and Social Insurance	10
Ministry of Transport, Communications and Works	9
Ministry of Justice and Public Order	7
Central Bank of Cyprus	6
Ministry of Health	6
Supreme Court	5

Vision 2035 was inspired and informed by a number of national strategies, studies and plans. To the extent possible we present and specify these links across all initiatives developed in this action plan. The most highly linked and thus referenced strategies as the ones listed in the below table.

Other national plans / strategies / studies
Cyprus Recovery & Resilience Plan 2021-2026
Functional Review of the Courts System of Cyprus, Technical Assistance Project 2017/2018, IPA, Ireland, 2018
National Digital Strategy 2020
Cyprus Research & Innovation Strategy Framework 2019-2023
Strategic Framework for Fiscal Policy 2020-2022
Strategic Plan of Ministry of Transport, Communication and Works 2021-2023
Draft National Broadband Plan of Cyprus 2021-2025
Cyprus' Integrated National Energy and Climate Plan 2021-2030
Action Plan for the Circular Economy 2021-2027
Smart Specialisation Strategy for Cyprus 2016-2020

2

Introduction

In this report, we put together a nation-wide action plan and a coherent governance mechanism to support the implementation of recommended initiatives to materialise Vision 2035

In the previous phases of this project, we identified a vision for the Cyprus economy in 2035 and the growth model that can achieve this ambition. The Vision 2035 is to make Cyprus **“one of the world’s best countries to live, work and do business”**. To do so we need to be a world leading model nation with a thriving, resilient economy and a just, inclusive society. All aspects of the Vision will be underpinned by cutting edge technology and environmental sustainability.

In phase five of the project we also set out the strategy for policymakers, businesses and citizens to achieve Vision 2035. This resulted in a set of recommended initiatives (reforms) that Cyprus should implement collectively to materialise its Vision for 2035 successfully.

In this report (phase six) we build on these recommendations by putting together a nationwide action plan for their implementation. Through this action plan, we lay out the key activities, assign preliminary owners responsible for driving each initiative, provide links to other national strategies, studies and plans, list other indicative contributing stakeholders, pinpoint key dependencies between initiatives and set preliminary implementation timeframes. In essence, we take another step to transform the recommendations that emerged out of Vision 2035 into actionable initiatives. Finally, we assess and map all action plan initiatives based on a set of criteria in order to provide a sense of relative urgency that could be used to inform policy-making and decision-making.

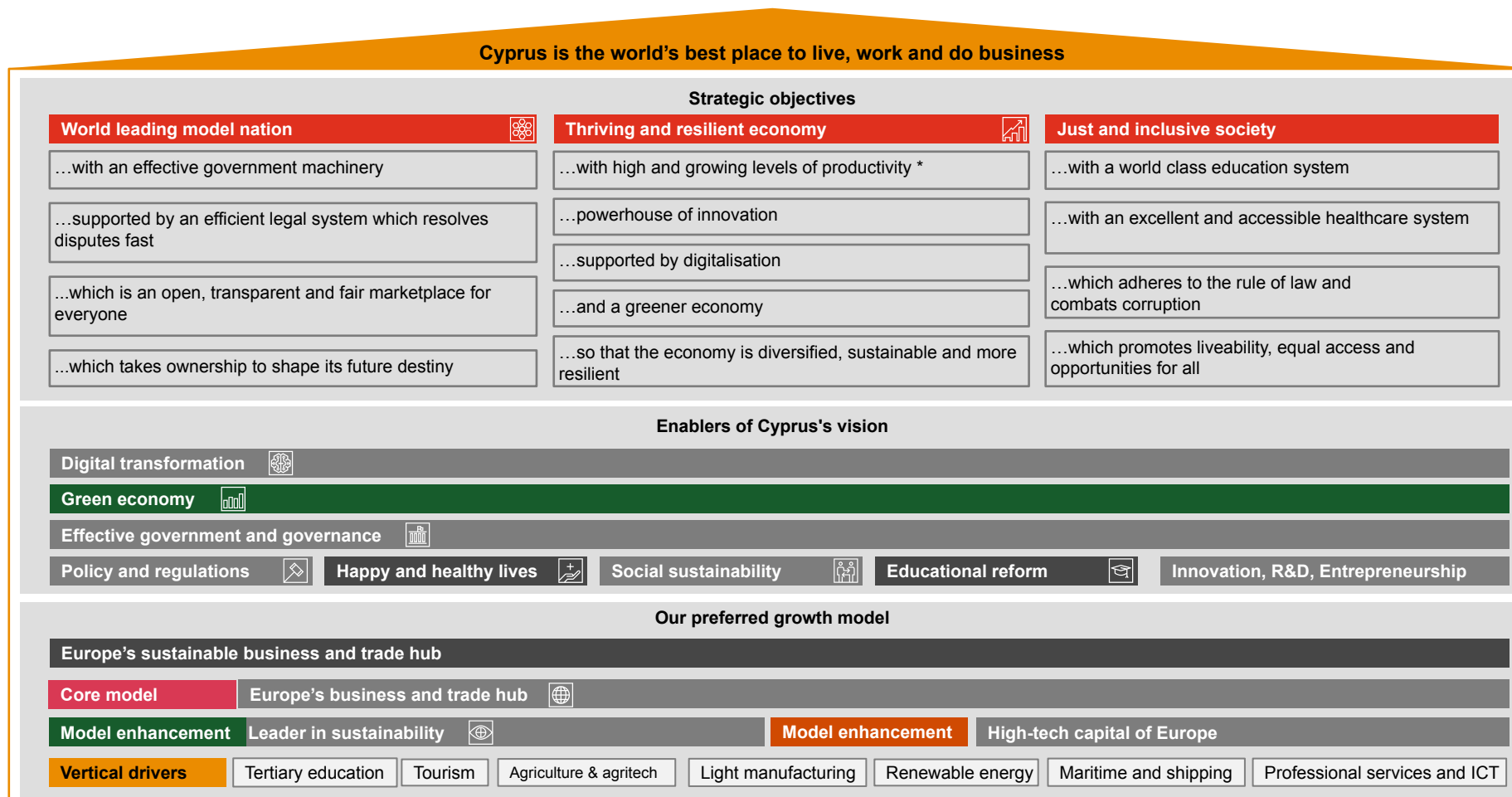
Implementing a wide-ranging, nationwide, multi-stakeholder strategy is a complex and dynamic process and relies on the commitment and drive of the society as a whole. Therefore, following this project, still a lot more needs to be done to bring about the country’s transformation. Accordingly, to foster and facilitate a coordinated effort by all parties, we also propose in this report a coherent governance mechanism that will put in place the right foundations for the monitoring and implementation of Vision 2035, creating ownership, transparency and accountability.

It is important to highlight that each of the initiatives of the action plan that follows should be seen and treated as an individual project, and at times a program of projects. Accordingly, in this report we also provide a complete, brief guide to support initiative owners on initiating the project, implementing and managing it and closing it off.

Overall, we lay the foundations with frameworks and structures not only for starting the implementation of Vision 2035 but also for the development and implementation of subsequent strategic plans for Cyprus.



Vision 2035 is comprised of a set of strategic objectives, enablers and growth drivers as summarised in the strategic house below; these form the basis on which the action plan is developed



The initiatives proposed and developed within the long-term strategy and this action plan may be further segmented into:



Horizontals: The cross-cutting institutional, social, economic and environmental initiatives that are critical to unlocking potential across the economy and society



Verticals: The sector-specific initiatives required to realise the sector's growth and potential



Fix

The initiatives Cyprus needs to undertake to address its current structural issues, bottlenecks and impediments to business, investment and growth – in other words, to **get the basics right**.



Build

The forward-looking initiatives Cyprus needs to undertake to move forward to achieve Vision 2035 and **build for the future**.

* As mentioned in phase 5 report, there were no specific initiatives under this strategic objective. Rather, all of the initiatives falling under the rest of the strategic objectives will in some way contribute to "high and growing levels of productivity". Accordingly, in the action plan that follows (section 3) there are no specific initiatives relating to this strategic objective.

All members of society including policymakers, academia, businesses and citizens must be mobilised to implement Vision 2035 successfully

The risks and costs of inaction are too large to ignore:

- Cyprus' real GDP per capita relative to the EU average has, over the past decade, declined and stagnated. If Cyprus continues with its current growth model, this trend will continue and will result in decreasing standards of living for all Cypriots.
- The global market is an increasingly competitive and evolving place. Cyprus cannot continue to rely on its historical competitive advantages, such as its low corporation tax rate. It must develop a more holistic set of offerings to its citizens, businesses, workers and investors that makes their decision to do business, work and live in Cyprus resilient to global developments, such as the possibility of corporate tax harmonisation across the EU.
- Over the past decade alone, Cyprus has experienced several crises – financial, fiscal and health. Cyprus' recovery from the 2013 crisis was driven by a narrow set of sectors, such as construction and real estate, which is not only at odds with sustainability, but also resilience for the next crisis. To reduce Cyprus' vulnerability and increase its ability to absorb and recover from external shocks, diversifying its economy is imperative. This includes its mix of sectors, its exports, its skills and its competitive advantages. If this doesn't happen, is likely to plunge from one crisis to the next
- The coming decades will add environmental crises to the aforementioned list. Without decisive action to drive forward the green economy and embed sustainability in how businesses operate, in how financial institutions make decisions, and in how citizens live, Cyprus will be exposed to financial, physical and sovereign risk. As a Mediterranean island, Cyprus will experience some of the most adverse effects of climate change in Europe, putting sectors like agriculture and tourism, which are reliant on its environment, at risk.
- With the price of carbon now generally expected to double, or even triple by 2030, the cost of Cyprus' current economic growth model is no longer viable. Accelerating the green transformation is not only the right thing to do for generational equity, but it will now also be significantly cheaper in the long-run. Emerging research, for example by the IMF, is also beginning to reveal the negative impact a country's environmental, vulnerability or lack of resilience to climate change on sovereign credit ratings. Higher costs of borrowing are likely to amplify the deterioration of public finances in a non-green scenario

Policyholders



The successful implementation of Vision 2035 ultimately relies on the commitment and drive of **policyholders** to take ownership for its delivery, carefully scope and design specific policies and investments, and monitor and evaluate progress. They must lead by example by driving forward the green, digital and upskilling agendas throughout the public sector. Critically, they must develop a credible track record to instil confidence and drive investment from the private sector. They must also recognise that reforming is a continuous journey and does not stop with Vision 2035. Policyholders must ensure that Cyprus' growth plan is refreshed every five years to reflect the latest global, EU and national developments.

Businesses



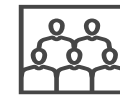
Businesses must embrace new ideas and ways of working in line with Vision 2035's sustainable, digital and innovative ambitions. They should think outside of traditional markets and explore new export destinations. They must actively engage with policymakers – for example through forums such as the proposed sector skills councils – to make better policy decisions that have relevance, create the right incentives and minimise distortions. They must take responsibility for upskilling their employees and embrace collaboration and the sharing of best practice to drive sector-wide progress. In doing so, they must trust younger generations to bring new ideas and innovations to the table. For businesses within the key vertical drivers of growth, they must engage fully with the proposed initiatives.

Academia



Academia must ensure that university education is an extension of the refreshed school curricula and that they continue to update their teaching based on the latest research and pedagogical methods. Given the high preference for university education within Cypriot society, it is the responsibility of academia to prepare young people for the world of work and the opportunities of Vision 2035. Academia must also ensure that their research and innovation programmes are aligned to Vision 2035 and have relevance for businesses, solving real life problems and increasing their commercialisation. They must embrace collaboration with businesses, policymakers and international universities and researchers.

Citizens



Citizens must demand more from their government, holding their local and national political representatives to account for progress towards Vision 2035. They should also engage with ESG agendas and send a strong demand signal to businesses to develop environmental, social and governance strategies, create sustainable goods and services, and promote diversity and inclusion. They must also take responsibility for their own journey of lifelong learning and upskilling. Ultimately, they should be flexible, embracing new opportunities and challenging existing assumptions about certain professions. Critically, they must learn about *why* they need to lead more sustainable lives, and *how* they can do this.

3

Action plan for implementation

3.1

A brief guide to the action plan

A brief guide to support navigate through the Vision 2035 action plan developed and presented in this report, which consists of 242 specific initiatives

The action plan consists of 242 specific initiatives, as these emerged from the “A long-term strategy for sustainable growth for Cyprus” (Phase 5). We anticipate that the collective implementation of these initiatives will bring to life and deliver the Vision 2035.

The development and implementation of long-term strategic plans is a dynamic and evolutionary process, whereby the economic and social conditions and the administrative capacity within the public and wider public sector will naturally lead to changes to the action plan presented in this report. It is anticipated that the initiatives will continuously be monitored with an aim to drive their implementation and also fine-tune and adjust them as needed (e.g. prioritisation, timeframes, etc.).

Below we present some key considerations regarding the development of the action plan to support the reader navigate through the action plan and understand its limitations:

Initiative owner

- Each of the initiatives should be seen and treated as an individual project, and at times a program of projects. To this end, each initiative was assigned a single owner in order to encourage true ownership, accountability and responsibility for driving the implementation and managing the successful completion of each initiative. Only in very few and rare occasions we have assigned two initiative co-owners.
- The initiative owners will have the overall responsibility for the initiation, coordination and management of the initiative to ensure its successful implementation. It is noted that all initiatives require the active contribution of other stakeholders beyond the initiative owner. Therefore, it is important to identify, communicate and align with all stakeholders prior to initiating implementation.
- In this report, we have developed a brief guide to assist initiative owners on how to approach the further development, initiation, management and closing of their respective initiatives. Please refer to [Section 4.1](#).

Contributing stakeholders

- Other contributing stakeholders, such as academia, industry associations, private and public bodies, were considered and included in the proposed initiatives.
- Contributing stakeholders are essential to the implementation of each initiative and their active collaboration, contribution and participation is required to ensure the successful completion of each initiative. Therefore, success or failure of an initiative should not be viewed as the sole responsibility of the initiative owner.

Budget

- Estimating the budget for the implementation of the proposed initiatives is outside the scope of this work. It is anticipated that for each initiative the initiative owner in collaboration with other contributing stakeholders will cost each initiative prior to initiating its implementation.
- It is noted that where public investments (i.e. large infrastructure projects) are concerned, initiative owners must follow the Public Investment Management process, which is monitored and assessed by the DG EPCD.
- We note that some of the proposed initiatives are included in the Cyprus Recovery & Resilience Plan (RRP). The RRP provides an estimated budget for the reforms and investments included therein and we provide relevant links to the information publicly available.

Funding Sources

- Based on the information available to us at the time of preparation of this action plan, we provide some suggestions concerning possible sources of funding for the proposed initiatives. It is anticipated that for each initiative the initiative owner in collaboration with its reporting Line Ministry or Deputy Ministry and the the Directorate General of European Programmes Coordination and Development will identify appropriate and available sources to fund the implementation of each initiative.

There are some key considerations and limitations that should be taken into account when going through the Vision 2035 action plan

Prioritisation

- For the prioritisation of the 242 initiatives, we have qualitatively assessed them on the basis of their respective expected impact and ease of implementation as follows:
 - Expected impact was assessed based on four sub-criteria: economic, social (including wellbeing), environmental and business and trade. The expected impact could score from 1 to 5, 1 being an initiative with low impact and 5 being an initiative with high impact based on the four sub-criteria.
 - Ease of implementation was assessed based on four sub-criteria: stakeholder involvement, institutional roadmaps, political engagement required and availability of funds. The expected ease of implementation could score from 1 to 5, 1 represents an initiative that is difficult to be implemented and 5 an initiative that is easier to be implemented based on the four sub-criteria.

Links with other strategies

- Some of the initiatives proposed in this action plan are a result of, or relate to, other national strategies, studies and plans. Therefore, where relevant, we provide links to other national strategies, studies and plans that were available to us at the time of preparation of this action plan. These links provide useful information concerning the background and wider context of the proposed initiative.
- The links we provide are indicative and we anticipate that for each initiative the initiative owner in collaboration with other contributing stakeholders will identify other relevant links to the initiative prior to initiating its implementation.

Case studies

- Throughout our work, we identified and presented multiple case studies that served as an inspiration for the development of the initiatives proposed in this action plan. These case studies are presented in a summarised manner in this report. For each initiative the initiative owner in collaboration with other contributing stakeholders may identify further case studies to draw good practices and lessons learnt.

Dependencies

- There are some dependencies between the proposed initiatives of this action plan. Such dependencies need to be taken into consideration when deciding the sequence of the implementation of the initiatives. It is anticipated that the Strategic Unit (i.e. coordinating authority) as described in [Section 3.2](#) will play an instrumental role in identifying these dependencies and coordinating the overall implementation of the long-term strategy in a way that adequately addresses these dependencies.

Timeframes

- For each initiative, we provide indicative timeframes for its implementation. However, these timeframes could be subject to change due to the dynamic social and economic conditions as well as, other conditions such as limitations in the administrative capacity of initiative owners and contributing stakeholders to implement and limitations in available funds. It is anticipated that the Strategic unit of coordination and monitoring of implementation as described in [Section 3.2](#) will play an instrumental role in the adjustment of the implementation timeframes (in collaboration with initiative owners) to safeguard the timely implementation of the strategic plan in its entirety.
- It is noted that some initiatives proposed in this action plan are already in implementation through other national strategies, studies and plans therefore, adjusting their implementation timeframes may be limited or not be possible at all.
- It is important to emphasize that the Recovery and Resilience Plan for Cyprus (2021-2026) is the vehicle for the successful implementation of Vision 2035, as it provides some EU funding that is necessary for a set of reforms that are included in this action plan. Accordingly, to create alignment with the timeframe of implementation of the RRP, we broadly phased out Vision 2035 initiatives in two periods a) 2021-2026 where we phased out initiatives that were identified as partially or fully covered by the RRP and b) 2027-2035 where we phased out any continuing initiatives from the previous period and any new initiatives that are included in the Vision 2035 but not in the RRP.

Governance

- The successful completion of each initiative and achieving intended outcomes is heavily dependent on the level of commitment demonstrated by the initiative owners and other contributing stakeholders. The Strategic Unit (i.e. coordinating authority) as described in [Section 3.2](#) will play an instrumental role in identifying and communicating with prospective initiative owners to ensure ownership, alignment and commitment.
- The overall implementation of the long-term strategy, Vision 2035, needs to be underpinned by an appropriate governance structure. Our proposed governance arrangements are described in [Section 3.2](#)

All initiatives included in this action plan have been developed based on the following template

Here is the **initiative title**

Here is the **initiative ID number**. Each initiative has a unique ID number.

Here is the **initiative owner**. Each initiative is assigned to a single owner to encourage accountability and responsibility for the implementation and management of the initiative.

Here are **indicative start and end dates** for the implementation of the initiative. Given the dynamic and evolutionary conditions and administrative capacity limitation of the initiative owners, these timeframes may need to be adjusted.

Here are **indicative links** between the recommended initiative and other national plans / strategies / studies accessing at the time of creation of this action plan.

For most initiatives the **budget** is marked as "TBD" (to be determined) as initiative owners will be expected to cost their respective initiatives prior to project initiation. For initiatives which will be implemented through the Cyprus Recovery & Resilience Plan (RRP), the budget was known and we have provided the estimated figure accordingly.

Here are **case studies** relevant to the specific initiative. Case studies may be good practices or cases of lessons learnt from other countries. These may provide aspiration or pointers to initiative owners.

Here is some introductory **context** and information regarding the initiative to support initiative owners in understanding the background and need.

Here are the **key activities** we recommend in order to implement the specific initiative. It is anticipated that initiative owners will further develop and analyse these key activities during project initiation.

Indicative **expected impact** for the specific initiative. This was assessed based on four sub-criteria: economic, social (including wellbeing), environmental and business and trade.

Indicative **ease of implementation** for the specific initiative. This was assessed based on four sub-criteria: stakeholder involvement, institutional roadblocks, political engagement required and availability of funds.

Here are references (initiative IDs) to dependencies between the specific initiative and other initiatives within the action plan. More information regarding the dependent initiative can be found on the respective initiative's one-pager.

Initiative ID: X	Owner	Start XX.XXX	End XX.XXX
Context	Indicative contributing stakeholders	Indicative links to other national plans / strategies / studies	
Key activities		Budget	Funding source
Expected impact X		Case studies	
Ease of implementation X		Dependencies	

The sequencing of initiatives should recognise reinforcing complementariness, but they should not delay progress across any of the dimensions

Getting the sequencing of implementation of such a wide-reaching set of long-term reforms, investments and policies right is challenging, but critical. This slide explores some key principles and recommendations for how to get the sequencing right. This will be explored in more detail in the following phase of work, which will develop an action plan for implementing Vision 2035.

Principles of sequencing for Vision 2035



Don't delay reforms along any dimension but respect their complementarities

- The set of initiatives will be more successful if they are applied in sequence, reinforcing each other – for example, financial incentives to attract foreign businesses to Cyprus will be more successful once initiatives to improve liveability and government effectiveness are in place.
- But while it is important to think about how implementation of the initiatives in each of the strategic objectives can reinforce progress in others, this should not delay implementation across any of the pillars.
- Progress should begin in earnest across all strategic objectives, with roles and actions for each Ministry to begin work upon official adoption of Vision 2035.
- The strategy represents a complete package of initiatives, all of which in some way contribute to achieving Vision 2035. Therefore, it is of critical importance *not* to ask: if only X number of reforms can be implemented, which should it be?



Start with the initiatives that:

- **Underpin progress in the others**, for example large scale investments which will provide the fundamental infrastructure to enable progress across other dimensions of the strategy
- **Attack the weakest link** in the vicious circle of uncompetitiveness and move up – for example, in Cyprus, one of the biggest constraints to growth is ineffective government machinery. Improving the efficiency and effectiveness of the public sector will improve the investment environment, which in turn will enable Cyprus to take better advantage of other reforms by creating incentives for things like innovation and education and training.
- **Aim to create a fundamental change** in behaviour, attitudes and skills in society, as these will take the long-test time. In Cyprus, this means accelerating progress on the green agenda and fundamentally changing behaviours and attitudes towards things like recycling and transport. It also means enhancing perceptions of more vocational and technical education and careers, which will be important for certain key sectors under Vision 2035.



Reforming is a continuous journey – this means that the authorities should not stop with Vision 2035. But rather, Vision 2035 aims to develop the right governance structures and attitudes within the public sector to ensure that Cyprus's growth plan is effectively monitored, evaluated and refreshed to reflect the latest global, EU and national developments and best practice policies.

Principles of sequencing within each strategic objective



Get the basics right first

- This means ensuring that Cyprus fixes its current structural issues, bottlenecks and impediments to business, investment and growth. For example, eliminating the backlog in the justice system and the issuing of title deeds.
- It means optimising operations and ensuring Cyprus's public sector works as efficiently as in other leading EU countries.



Lay the foundations in long-term investments

- Vision 2035 requires significant long-term investment in key areas such as digital and green. These investments are critical to unlocking the potential of other initiatives which will rely on that infrastructure being in place (i.e. broadband or physical infrastructure).
- Demonstrating progress and, crucially, commitment to these long-term investments will be absolutely critical to giving investors, businesses and citizens the confidence that change is underway – this means clear timelines and action plans, regular monitoring of progress and developing a proven track record of implementing investment plans.



Create incentives

- Once the basics are right and once the foundation has been laid for the long-term, policymakers can then create additional specific incentives to encourage businesses, investors and citizens to take advantage of new opportunities.

3.2

Governance

The successful delivery of Cyprus' Vision 2035 and any subsequent national strategic plans depends on setting up a coherent governance structure that will create ownership, coordinate and drive their implementation forward

A coherent governance structure should be set up to underpin the successful implementation of Cyprus' Vision 2035, as well as the development and implementation of any subsequent national strategic plans in the future. An appropriate governance structure will create authority and accountability, while putting in place the relationships and information mechanisms that will enable effective decision-making, coordination and monitoring, risk management and communication of outcomes achieved. In essence, setting up an appropriate governance structure is the catalyst for taking Cyprus from vision to execution successfully, in a coordinated manner.

At the heart of this governance structure, Cyprus should establish a **"Strategic coordination and monitoring of implementation Unit"** under the Permanent Secretary of the Ministry of Finance to be responsible for effectively coordinating, facilitating and monitoring the implementation of the initiatives under Vision 2035. Additionally, Cyprus should establish a **"Strategic planning and development Unit"** directly under the Minister of Finance to support the Government in the ongoing strategic planning, setting of strategic priorities and development of subsequent national strategic plans in the future.

It is essential that both newly formed Units work in close collaboration and coordination with each other as well as, the existing Directorate of Budget and Directorate of Strategy, Coordination and Communication under the Permanent Secretary of the Ministry of Finance and the existing Directorate for Strategic Growth and Competitiveness under the Permanent Secretary of the Directorate General of European Programmes, Coordination and Development:

i) The **Strategic planning and development Unit**: responsible for monitoring national and international economic and social landscape and trends, performing the necessary analysis and modeling and developing and updating national strategic plans for the Cyprus Vision on an ongoing basis.

ii) The **Strategic coordination and monitoring of implementation Unit**: responsible for coordinating, monitoring and reporting on the implementation of Vision 2035 and any subsequent national strategic plan following Vision 2035.

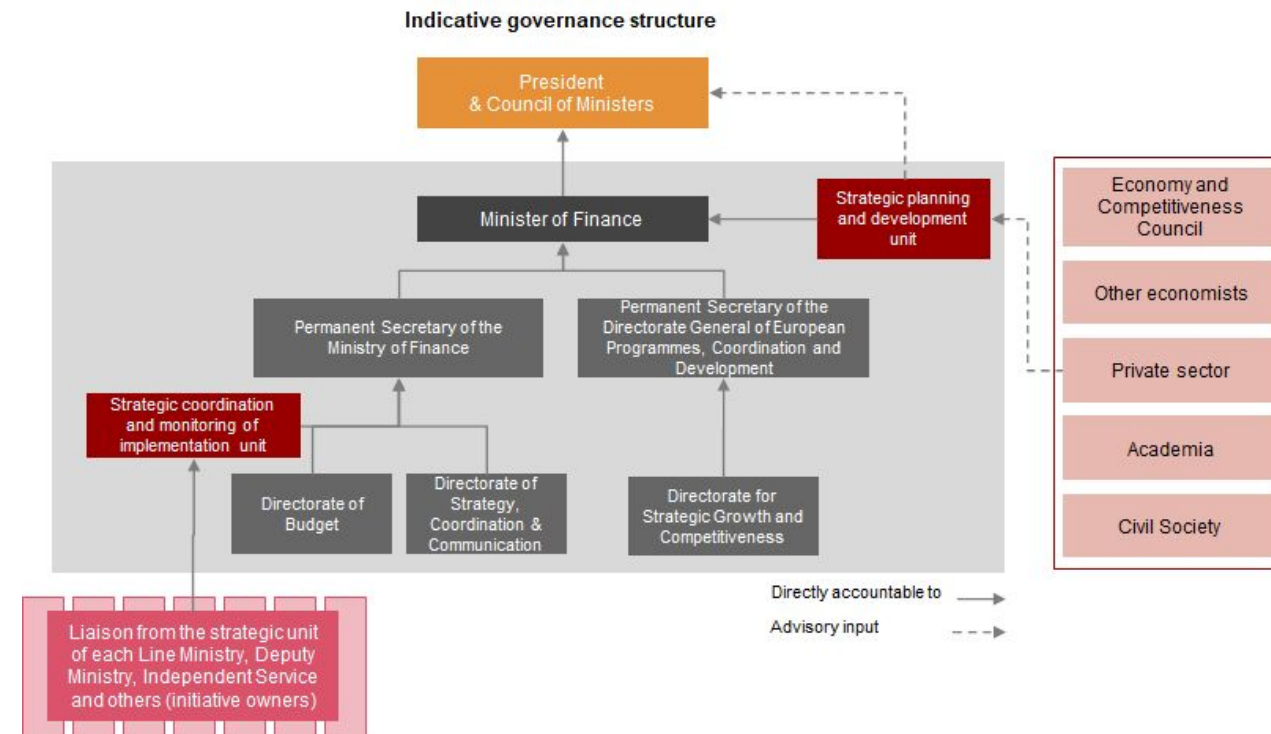
Both Units should be responsible for looking beyond political cycles.

The Strategic coordination and monitoring of implementation Unit should be responsible for holding the initiative owners of Vision 2035 (or any subsequent strategic plan) to account for their progress on initiative implementation. The Strategic coordination and monitoring of implementation Unit should also be "the voice" of Vision 2035, responsible for driving the communication and socialisation of the Vision and action plan to citizens and businesses of Cyprus, and internationally. Also, it should be liaising closely with initiative owners (all Line Ministries, Deputy Ministries, independent services and wider public sector) at predetermined intervals to collect and compile data/information on the progress of initiatives (status of key activities, timelines, budget, stumbling blocks, etc).

To ensure that the strategic planning and development process does not happen in a vacuum, the Strategic planning and development Unit should also be engaging and drawing the right expertise and feedback from the private sector, the academia, the Economy and Competitiveness Council, other economists and civil society where and when necessary.

The Strategic planning and development Unit should ultimately be accountable to the President and the Council of Ministers who will be making the key decisions with regards to the Vision 2035 and any other subsequent national strategic plans. Also, the Strategic coordination and monitoring of implementation Unit should be reporting to the President and the Council of Ministers on the implementation progress of Vision 2035 (and any other subsequent national strategic plans), flagging key risks and potential delays/failures.

The next slides in this section provide a more detailed description of the responsibilities, competencies and relationships that the two Units should have under this governance structure. It is noted that these apply both to Cyprus' Vision 2035, which is the scope of this report, but also to any subsequent national strategic plans in the future.



This section of the report is pending discussion with the Ministry of Finance

The Strategic planning and development unit responsible for developing and updating national strategic plans, and the Strategic coordination and monitoring of implementation Unit tasked with coordinating and monitoring their implementation

Strategic planning and development Unit

Responsibilities:

The Strategic planning and development Unit should be responsible to update Vision 2035 in order to ensure that it remains relevant throughout the course of its implementation. Also, it should be responsible for developing Cyprus' national strategies in line with other initiatives under progress, long-term national and international trends and threats and opportunities for Cyprus.

More specifically the responsibilities of this arm should include:

- Monitoring and analysis of international and regional trends impacting Cyprus' economy (PEST analysis, trends analysis, etc.),
- Assessing long-term opportunities and threats to the Cypriot economy (SWOT analysis, competitor analysis, analysis of existing and potential trading partners, etc.),
- Developing national strategic plans in alignment with the policy statement of the government (including a high-level action plan with suggested reforms/initiatives),
- Informing the 3-year strategic plans of the Line Ministries and Deputy Ministries in alignment with the National Budget as monitored and controlled by the Directorate of Budget of the Ministry of Finance,
- Refreshing and updating the national strategic plans (including Cyprus' Vision 2035) even after the commencement of their implementation by the Strategic coordination and monitoring of implementation Unit to ensure that they remain up-to-date with national and international trends. Liaising and coordinating regularly with the Strategic coordination and monitoring of implementation Unit for this purpose. This collaboration will ensure that any revision takes into account the stage of implementation, the availability of resources and any challenges / roadblocks to the implementation as at the date of the revision.
- Liaising and exchanging information with multiple stakeholders (civil service, private sector, academia and civil society) and the Directorate for Strategic Growth and Competitiveness of the DG EPCD about the opportunities and challenges arising from national and international trends for Cyprus.

Strategic coordination and monitoring of implementation Unit

Responsibilities:

Following the development of Vision 2035 and any other subsequent national strategy, the Strategic coordination and monitoring of implementation Unit should take over the monitoring and implementation of these.

More specifically its responsibilities should include:

- Identifying the prospective owners who will be responsible to drive the implementation and project manage the initiatives of the strategic plan. Communicate and lead discussions with prospective initiative owners to agree and align on initiatives and expectations.
- Ensuring that all Line Ministries, Deputy Ministries, Independent Services and other contributing stakeholders are committed and assume responsibility in implementing the initiatives of the national strategic plan, which aligning on expected timeframes for implementation and expected outcomes.
- Monitoring the progress of the implementation of each initiative under the Vision 2035 against a set of KPIs.
- Monitoring Cyprus' comparative progress against benchmark countries to ensure that targets are reflective of the current frontier that Cyprus is aiming for.
- Reporting on the implementation progress and status of the Vision 2035 to the President and Council of Ministers (as well as the European Commission where necessary), flagging any issues, risks and potential delays.
- Liaising with the Strategic planning and development Unit and informing it with regards to any implementation challenges and opportunities that arise that might need to be considered when updating the national strategic plan / Vision 2035.

Development of national strategy plan

Coordination and monitoring of implementation of national strategy plan

From Strategy
to Execution

To deliver its mandate successfully, the Strategic Unit should have a certain competencies either in-house or through third-party collaborations

Strategic planning and development Unit

Indicative competencies

The Strategic planning and development Unit should be staffed, either in-house or through third-party collaborations, with professionals who have the following set of competencies:

- Ability to synthesise and blend information from multiple disciplines, sectors and/or perspectives to detect and understand the root causes of complex problems;
- Ability to understand and synthesize the bigger picture, identify links and interdependencies;
- Innovative, structured, design thinking to rapidly rationalise complex problems into workable solutions;
- Refocusing and reframing problems through exploration and analysis of quantitative data, consultations and discussions with multiple and diverse stakeholders, horizon scanning and scenario development;
- Developing and maintaining effective partnerships with a diverse set of stakeholders (from the public sector, private sector, academia, etc);
- Strong oral and written communication skills;
- Facilitation and communication skills.

It is anticipated that the above indicative competencies may be drawn from individuals with economics, behavioural economists, strategy, social finance, sociology, regulatory and policy making backgrounds.

The Strategic planning arm should also have representation/secondments from the Ministry of Finance, the Directorate General for European Programmes, Coordination and Development (DG EPCD) and perhaps the European Commission.

We note that the Strategic planning and development Unit must link and align to the government's annual strategic planning and budgeting process that is already in place.

Strategic coordination and monitoring of implementation Unit

Indicative competencies

The Strategic coordination and monitoring of implementation Unit should be staffed, either in-house or through third-party collaborations, with professionals who have the following set of competencies:

- Ability to effectively organise and manage complex, simultaneously-moving work streams;
- Ability to identify and monitor risks proactively, driving prioritisation and identifying mitigation actions;
- Ability to understand and coordinate multiple activities across different public sectors/disciplines;
- Ability to convene a diverse set stakeholders (e.g. from the public sector, private sector, academia, etc) at the right time, collaborate and develop shared understanding through communication, trust and mutual commitment;
- Ability to develop performance metrics to track progress towards goals;
- Financial management and budget monitoring skills;
- Facilitation skills and ability to manage and resolve conflicts;
- Strong visual presentation and reporting skills.

It is anticipated that the above indicative competencies may be drawn from individuals with public project management experience (professional qualifications are deemed good to have). Civil servants from Line Ministries, Deputy Ministries and independent services may also be seconded to the Monitoring and implementation arm in order to provide expertise related to specific areas and sectors identified in Vision 2035 (e.g. agriculture, digitalisation, education, green economy, etc.).

Communication

Communication & roadshows



In addition to the above, we recommend that the Strategic coordination and monitoring of implementation Unit also has a Communication team. In essence, the Communication team will be responsible for driving the communication and socialisation of the Vision 2035 (and any subsequent strategic plan) internally to the civil service and externally to the Cyprus society (citizens, businesses, etc.) and internationally (especially to target countries for attraction of investments).

The team should develop a thorough communication strategy/plan in order to organise and run communication, advertisement and information campaigns appropriate to each target stakeholder group to incite passion and drive for the vision and national strategic plans. Necessary competencies include strategic communication, marketing, social media management, etc.

It is anticipated that the Communications team will work in close collaboration and coordination with the Strategic planning and development Unit and possibly the Press and Information Office (PIO).

The Strategic coordination and monitoring of implementation Unit should develop and maintain clear communication lines with initiative owners and data collection mechanisms to gather information on the progress of their initiatives systematically

Consensus among stakeholders



There must be consensus among key stakeholders around the two units' remit to ensure commitment to the strategic and long-term reforms that are so critical for Cyprus's future. Consensus should be created around the following:

- The role and responsibilities of each unit, including their remit (i.e. accountability and reporting lines).
- The reporting and communication mechanisms between the Strategic planning and development unit and the ultimate decision makers (i.e. the President and Council of Ministers).
- The reporting and communication mechanisms between the Strategic coordination and monitoring of implementation unit and the initiative owners who will be held to account for progress on the implementation of their initiatives (e.g. Line Ministries/Deputy Ministries/Independent services and others).
- The mechanism through which Line Ministries/Deputy Ministries/Independent services and others will be held to account for progress on the implementation of strategic plans.

It is important that social partners are informed, agree and commit to the strategic objectives and the high-level action plan.

Project management & performance monitoring mechanisms



We recommend that the Strategic coordination and monitoring of implementation Unit organises its officers internally by strategic objective. This will enable the Unit's officers to have a full picture of the initiatives falling under the same strategic objective, in order to promote coherence, coordination and manage interdependencies. The Strategic coordination and monitoring of implementation Unit should develop and maintain clear communication lines with initiative owners in order to collect the necessary information regarding progress on a systematic basis. To achieve this, **an individual within the strategic unit of each Line Ministry, Deputy Ministry, Independent service and other authorities should be designated as the "liaison", to be the single point of contact for the officers of the Unit.** In essence, the "liaison" should be responsible for collecting information on the progress of initiatives from their relevant Ministry/Deputy Ministry/independent service and communicating it to the Unit. The liaison should also ensure that there is alignment with the 3-year strategic plans of the Ministry/Deputy Ministry/independent service. It is noted that in cases where the initiative owner is outside the public sector (e.g. independent associations, representatives of private sector organisations), as in the case of Vision 2035, an individual should also be designated as the "project manager" responsible to liaise with the Unit. Following the development of the high-level action plan from the Strategic planning and development Unit, the Strategic coordination and monitoring of implementation Unit should do the following as part of project management and performance monitoring:

- **For each initiative of the action plan, set an owner, a timeframe for implementation** (including key milestone dates) and possible funding sources in cooperation with project managers.
- **Develop key performance indicators (KPIs) and tie them to targets to track performance**, in cooperation with project managers. KPIs should be developed at two levels:
 - National level (strategic/outcome KPIs): These KPIs look at the broader economic and societal impact that the implementation of an initiative might have such as GDP, FDI, wellbeing, liveability, sustainability and equity. These KPIs will enable the Monitoring and implementation arm to monitor Cyprus' performance against key benchmark countries to assess its comparative progress. Please note that some strategic KPIs were developed as part of Phase 5 report and we provide these in appendix 4.4 (e.g. remuneration of civil servants as a share of GDP, international property rights index, etc).
 - Initiative level (output KPIs): A set of output KPIs must be developed for each initiative and be assigned to its owner. Output KPIs concentrate on the actions that the initiative owner needs to take to achieve the desired outcome. Examples of such KPIs include the percentage of activities completed, the percentage of budget absorbed, etc. In appendix 4.5 we provide a list of indicative output KPIs. Output KPIs could also be summed up / bundled by owner or by strategic objective building towards a more high-level holistic view of the performance of each owner or progress towards an objective.

The process of developing KPIs and setting targets should be a dynamic and evolutionary process. Both the KPIs themselves and the targets should be reviewed (and revised if necessary) at least annually, to ensure that they remain relevant in reflecting the progress and impact of the initiatives.

- **Collect the results of KPIs from initiative owners at predetermined intervals** (e.g. every six months). Submission of KPIs should be done preferably electronically using a standardised template so that the results can be fed into a dashboard (see below).
- **Build a transparent and comprehensive database through a dashboard**, for example using Power Bi or Tableau. This will aggregate data in a single source of information that should be available for all owners to view and monitor their own progress.
- **Hold progress meetings with project managers** to discuss and be informed about the progress of each initiative, any key implementation challenges that cause deviation from target deadlines, potential delays, any funding inadequacies, etc. The agenda and templates used to support such meetings could be standardised for consistency and completeness purposes.

December 2021

Ultimately, the Strategic coordination and monitoring of implementation Unit should report on the progress of the strategic plan to the President and the Council of Ministers flagging any risks, issues and potential delays.

Following the collection and collation of information and KPIs from the various initiative owners, the Strategic coordination and monitoring of implementation Unit should report the results to the President and the Council of Ministers.

Reporting



The Strategic coordination and monitoring of implementation Unit should report the following information to the President and Council of Ministers quarterly:

- A selected set of strategic KPIs spanning across all strategic objectives and their result in relation to the set targets.
- A selected set of aggregated outcome KPIs summarised by initiative owner and their result in relation to the set targets.
- A summary of the key stumbling implementation blocks including delays in legislative reforms, lack of resources, etc.
- Key risks, potential delays and decision to be made imminently relating to the implementation of initiatives.

Where possible, it should also communicate the benefits as well as the costs of not carrying out or of delaying the reforms listed out in Vision 2035 (or any subsequent strategic plan). Ideally, these should be communicated in terms of impact of GDP and jobs as well as any monetary penalties that could result from not abiding to EU targets. Similarly, the use of distributional models should also be considered where the economic impact of delaying specific reforms can be shown by income deciles which could help expedite actions on key reforms.

As a forum for reporting and decision-making, the Unit may establish “Strategy Summits” (e.g. quarterly or semi-annually) where the President and Council of Ministers can convene, to be given a progress update on the implementation of the strategic plan. Following the progress update, they should then make decisions to push forward implementation. Once these Summits are concluded, the Strategic coordination and monitoring of implementation Unit in coordination with the Communication arm should publish a communication to the public outlining the progress on the Vision 2035 (or any subsequent strategic plan), any key stumbling blocks, potential delays and what is being done to rectify delays.

Engaging a diverse set of stakeholders



From strategy development to execution, the Strategic planning and Development Unit should be able to draw in the appropriate stakeholders at the right time to obtain expert opinion and feedback on the strategic plan and its implementation. More specifically, it is important that the Unit consults on a periodic basis the private sector (local businesses and their representatives), the academia, the Economy and Competitiveness Council and other economists and the wider public. To do so it should establish and maintain long-term relationships with all of these stakeholder groups. To do this successfully, the Unit should do the following for every national strategic plan:

- Identify stakeholders that might have an influence and/or interest in the national strategic plan.
- Analyse the degree to which each stakeholder might assist or hinder the efforts by considering a number of criteria including:
 - the relative level of influence of the stakeholder;
 - the relative stake of the stakeholder in the overall strategic plan;
 - the degree of interest that the stakeholder is likely to actively demonstrate;
 - the likelihood of the stakeholder to support the strategic plan.
- Determine the potential value that each stakeholder group can bring to the table and for which area/discipline.
- Develop and maintain continuous communication and engagement with these stakeholders, promoting dialog and co-creation of solutions and ensuring their buy-in.

To foster transparency and ensure that the wider public and other stakeholders are well informed to participate, a simplified version of the dashboard (see previous slide) should be publicly available. Accordingly, the Strategic coordination and monitoring of implementation Unit should set up a Vision 2035 website, where progress against KPIs should be available. This will help to drive credibility where success is achieved, but also be transparency about failures.

3.3

One-pager action plans

All 242 initiatives required to be undertaken for materialising Vision 2035, have been assessed and mapped against their expected impact and ease of implementation

All 242 identified reforms required to be undertaken for materialising Vision 2035 were evaluated qualitatively against two key parameters, with each parameter comprising a set of distinct criteria as shown in the table below:

Evaluation parameters	Evaluation criteria
Expected impact	<ul style="list-style-type: none"> Economic impact Social impact Environmental impact Business & trade impact
Expected ease of implementation	<ul style="list-style-type: none"> Stakeholder involvement Institutional roadblocks Political engagement required Availability of funds

The expected impact of each initiative was rated on a scale of 1 - 5 as follows: 1= very low impact, 2=low impact, 3=moderate impact, 4=high impact, 5=very high impact.

The expected ease of implementation of each initiative was rated on a scale of 1 - 5 as follows: 1=very difficult, 2=difficult, 3=moderately difficult, 4=easy, 5=very easy

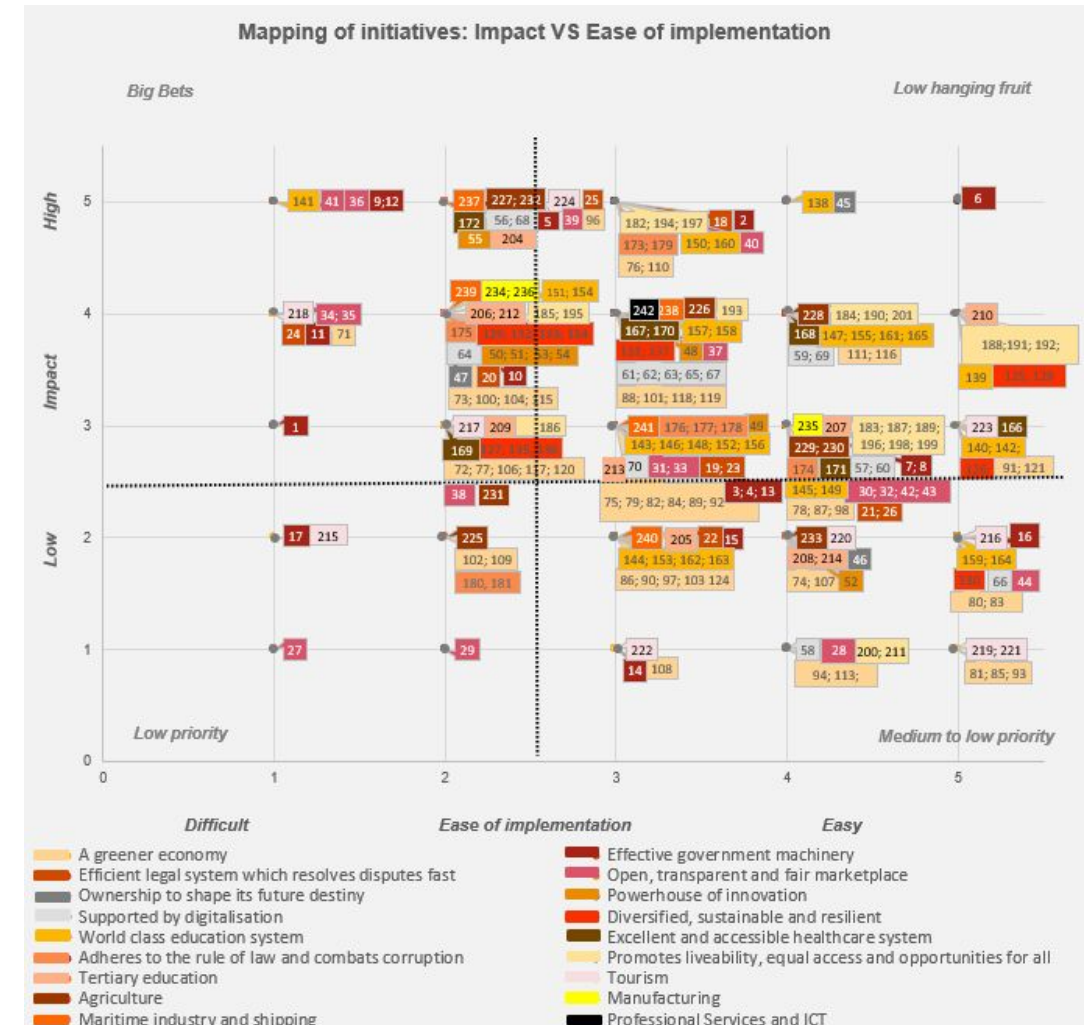
This was a qualitative exercise where professional judgment was applied. Although we acknowledge that several of these initiatives are cutting across various sectors and disciplines (horizontal) and others are sector-specific relating to very different sectors, we also carried out a comparative analysis where we qualitatively assessed initiatives on their expected impact and ease of implementation by considering initiatives in relation to each other.

This analysis enabled us to cluster initiatives across a spectrum of impact and ease of implementation and to provide a high-level sense of urgency underpinning each one. Accordingly, the initiatives were mapped against an impact VS ease of implementation matrix as shown on the graph on the right. The matrix gives rise to four clusters of initiatives:

- “Low hanging fruit” - Initiatives that will add immediate value and can be undertaken fairly quickly and easily
- “Big bets” - More transformative initiatives that require significant effort but are expected to have a major impact.
- “Medium to low priority” - Initiatives that have a limited potential to add value but are fairly easy to implement.
- “Low priority” - Initiatives which although may be important (and especially for the future) should be considered down the line as they will have a relatively low impact but will require significant effort.

This grouping could be used to inform policy and decision-making as it could provide some guidance on how to prioritise/plan multiple, coinciding reforms/ initiatives.

It is important to note that the initiatives presented in this action plan have already been selected among a larger set of initiatives in previous phases of the project. Therefore, assigning a low rating score on certain initiatives does not imply that they shouldn't be included in the action plan. For instance, initiatives that were assigned low scores in terms of impact should not be considered as initiatives that should not be included in the action plan. Their low score means that they are expected to have a lower impact *in relation* to other initiatives based on the qualitative exercise described above.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format). The different colours correspond to different strategic objectives.

3.3.1

World's leading model nation

With effective government machinery

Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny

We have evaluated and mapped all initiatives under the “**effective government machinery**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**effective government machinery**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Grow a civil service which serves the needs of its citizens, international and local businesses and its EU partners	Owner	Public Administration and Personnel Department	Start	03/2025
Initiative ID: 1	Adjust working hours of the Civil Service			End	03/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus's civil service typically ends its working day early in the afternoon (i.e. government offices open between 7.30am to 8.30am and then close between 2.30pm to 3.30pm). This means that many citizens and businesses struggle to access key public services.The working hours of the civil service should be adjusted to better align with EU norms and the working hours of the main institutions they liaise with.This should be a comprehensive adjustment across the whole civil service over time.Amending civil service hours would of course have wider social implications such as traffic implications, change of schooling hours etc.		<ul style="list-style-type: none">Law Office of the Republic of CyprusTrade unions (e.g. Παγκύπρια Συντεχνία Δημοσίων Υπαλλήλων, ΠΟΕΔ, ΟΕΛΜΕΚ, ΟΛΤΕΚ)			
Key activities					
<ul style="list-style-type: none">Adjust working hours of key aspects of Civil Service.<ul style="list-style-type: none">Initially focus on competent authorities providing key services, such as health, welfare and social insurance, land and surveys department, and commerce and industry.Over time, a comprehensive adjustment should be made across the whole civil service.Some key implementation considerations are potential amendments to the legal framework governing the public service and personnel job descriptions (“σχέδια υπηρεσίας”) and securing constructive dialog and buy-in from unions representing civil servants impacted by this change.Consider the wider social implications that amending the civil service hours would have (e.g. change of schooling hours, traffic, etc.) and engage all relevant competent authorities and citizens in discussions in relation to this reform.					
Expected impact	4	Ease of implementation	1	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Grow a civil service which serves the needs of its citizens, international and local businesses and its EU partners	Owner	All Line Ministries, Deputy Ministries and local authorities providing services to businesses and citizens	Start	01/2022
Initiative ID: 2	Identify top 200 requests made by citizens and businesses and identify efficiency gains			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Government effectiveness refers to the quality of public services, the effectiveness of the civil service, policy formulation and implementation, and government credibility. The Worldwide Governance Indicators (WGI) scoring of government effectiveness places Cyprus just below the 80th percentile. This compares poorly to key benchmark countries, such as Israel and Ireland at the 90th percentile, and Denmark above the 95th percentile in the 2020 release.¹Similarly, Cyprus also ranks relatively poorly compared to other EU countries on the WEF’s executive opinion survey on the wastefulness of government spending, with a global rank of 57, compared to 18 in the Netherlands and 3 in Singapore.²The evidence from the World Bank and WEF suggests that Cyprus is relatively uncompetitive in terms of its government effectiveness, which can be a constraint to business growth and investment if the government is perceived as being ineffective in delivering favourable economic, political and social policies.To identify efficiency gains, all line ministries and deputy ministries should be asked to identify their top 25 requests made by citizens and businesses.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyCitizen Service Centres (Κέντρα εξυπηρέτησης πολίτη)Citizen Centers (ΚΕ.ΠΟ)		<ul style="list-style-type: none">Strategic Framework for Fiscal Policy 2020-2022, E-government strategy, pages 9 - 10	
Budget					
TBD					
Funding source					
TBD					
Case studies					
N/A					
Dependencies					
N/A					
Expected impact		5	Ease of implementation	3	

Initiative Area	Grow a civil service which serves the needs of its citizens, international and local businesses and its EU partners	Owner	Department of Land and Surveys, Ministry of Interior	Start	07/2023
Initiative ID: 3	Digitise construction permits			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">A proficient deployment of IT not only reduces the costs of approval processes, but also enables regulators and practitioners to cope with increasingly complex building standards and additional policy objectives (such as those related to energy efficiency).The existing “HIPPODAMOS” project covers the development and application of an Integrated Information System that will cover the IT needs and demands of all Department of Town Planning and Housing Sectors as well as the management of Building Permits from the District Administration Offices. The System Roll-out is expected to be completed by the end of 2021.The "e-Application" environment of the "Hippodamos" System for the acceptance of applications for Planning and Building Permits needs further development and should be expanded to support all the Planning and Building Authorities. Under the Cyprus Law planning permits applications can be submitted to all District Offices of the Town Planning and Housing Department and the four major Municipalities (Nicosia, Limassol, Paphos and Larnaca) and building permits can be submitted to all District Administration Offices and to all of the Municipalities. Currently “Hippodamos” System of the Town Planning and Housing Department supports the electronic submission of applications for Planning Permits for the District Offices of Town Planning and Housing Department as Planning Authorities and Building Permits for the District Administration Offices as Building Authorities.		<ul style="list-style-type: none">Cyprus Scientific & Technical Chamber (ETEK)Construction companiesDeputy Ministry of Research, Innovation and Digital Policy		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Investment 4, page 341	
Key activities				Budget	
<ul style="list-style-type: none">To coordinate the efforts of multiple agencies required for approval and to increase the speed and convenience for permit seekers, establish ‘single window’ systems and one-stop centres that combine the required competencies under a single roof and commit to specific timelines for approval:<ul style="list-style-type: none">Upgrade/expand “e-Application” environment of "Hippodamos" System for the acceptance of online applications for Planning and Building Permits. The expansion should enable Architects to submit applications for planning and building permits to all the Planning Authorities and Building Authorities from a common platform.The “Hippodamos” System should be upgraded in order to enable the process of applying, studying and issuing Planning and Building Permits digitally. The implementation of this depends upon the enactment of the legislation for the Facilitation of Strategic Investments.Supply additional Hardware/System software where necessary for the implementation of the above.				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	
Expected impact		3		Ease of implementation	
		3			

Initiative Area	Grow a civil service which serves the needs of its citizens, international and local businesses and its EU partners	Owner	-Public Administration and Personnel Department -Cyprus Post	Start	07/2024
Initiative ID: 4	Grow the network of Citizen Service Centres (ΚΕΠ) and Citizen Centres (ΚΕ.ΠΟ) and their services			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are currently 8 Citizen Service Centres in Cyprus. The aim of these Citizen Service Centres is to offer, from one point of contact, multiple services and process requests and documents, without the need to visit multiple government organisations. Services are provided on behalf of the following:<ul style="list-style-type: none">Road Transport DepartmentDepartment of Social InsuranceGrants and Allowances Service of the Ministry of FinanceCivil Registry and Migration (services that are provided by District Administrations)Ministry of Health (medical card, European Health Insurance Card)Department of Information Technology Services of the Deputy Ministry of Research, Innovation and Digital PolicyMinistry of DefenseMinistry of Education, Culture, Sport and YouthMinistry of Justice and Public OrderIn line with the aspect of their mission to improve services provided to citizens, the Cyprus Post operates Citizens Centres (ΚΕ.ΠΟ) at the District Post Offices in Nicosia, Limassol, Larnaca and Paphos as well as the Post Offices in Agros and Kakopetria. ΚΕ.ΠΟs provide services on behalf of the following:<ul style="list-style-type: none">Ministry of Transport, Communications and WorksMinistry of FinanceMinistry of InteriorMinistry of Labour, Welfare and Social InsuranceMinistry of Health		<ul style="list-style-type: none">Citizen Service Centres (ΚΕΠ)Citizens Centres (ΚΕ.ΠΟ)Line Ministries and Deputy Ministries providing services to businesses and citizensDeputy Ministry of Research, Innovation and Digital Policy		N/A	
Key activities				Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A
Expected impact	3	Ease of implementation	3		

Initiative Area	Improve the robustness and transparency of policymaking with a consistent approach to rigorous policy appraisal across Ministries	Owner	Public Administration and Personnel Department	Start	01/2024
Initiative ID: 5	Design a central government framework for policy appraisal			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently, many decisions and policies are implemented in Cyprus without comprehensive or consistent economic impact assessment, or cost-benefit analyses across Ministries. In most EU countries, government policy making adheres to official appraisal and evaluation guidelines that enable a standardised and consistent assessment of the use of public money.Using the International version of the UK's Green Book, the authorities should develop a framework for robust policy development, options appraisal and impact assessment, and monitoring and evaluation. It should set out a consistent framework and methodology for all ministries to follow.This will enable the government to justify the use of public money in a standardised way across the public sector and to make better policy decisions.		<ul style="list-style-type: none">Directorate General for European Programmes, Coordination and Development (DG EPCD)Ministry of Finance (Directorate of Strategy, Coordination, & Communication)Cyprus Academy of Public Administration (CAPA)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 1, page 323	
Key activities					
<ul style="list-style-type: none">Develop a central government framework for policy appraisal setting out the following:<ul style="list-style-type: none">Principles for policy appraisalThe key analysis that must be conducted (and how this differs for projects of different sizes)The key concepts (i.e. optimism bias, risk assessment, discounting)Guidelines for how to assess the monetary costs and benefits of each option and the non-monetary advantages and disadvantagesGuidance on monitoring and evaluationGuidance on how to conduct an environmental impact assessment of policy options. This should follow the UN's SEEA, which Cyprus already follows. The government must also mandate that each Ministry must include an assessment of the environmental costs in their annual plans and budgetsIntroduce training for all civil servants that teaches them about the new framework, methods of policy appraisal and cost benefit analysis. This should draw on UK international Green Book training material as well as specific EU practices. It should be compulsory to complete an annual CPD course in policy appraisal. The course should draw heavily on case studies and applied learning.Establish an oversight body for policy appraisal quality control – this body should routinely review the policy making process of different ministries, including their compliance with government guidance, the quality of impact assessments and cost-benefit analysis, and options appraisal. It should also appoint persons accountable for quality control within each ministry/department where appropriate, who should be responsible for ensuring quality and robust assessments in their division. This body should sit across all Ministries.Create a central log/library of all policy change projects that are underway or planned by the government. This will avoid duplication and make the most of efficiencies between policies. Currently, there is no transparency and therefore some Ministries could be working on similar, complementary, or even opposing policies.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	No budget is available through the Recovery and Resilience Fund (RRF); Consider whether funds from the Technical Support Instrument (TSI) can be utilised.
				Case studies	<ul style="list-style-type: none">UK: The Green Book (Appendix 4.2)UN's SEEA (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Modernise state-owned enterprises and create the right incentives for innovation and efficiency	Owner	Public Administration and Personnel Department	Start	01/2023	Indicative links to other national plans / strategies / studies
Initiative ID: 6	Create a transparent and merit-based process for board nominations on state-owned enterprises			End	06/2023	
Context		Indicative contributing stakeholders		Budget		
<ul style="list-style-type: none">Cyprus has many state-owned enterprises. Some of the larger ones include the Cyprus Broadcasting Corporation, the Cyprus Telecommunications Authority and the Electricity Authority of Cyprus. These are large corporations which, in many cases, provide an essential service to the wider Cypriot economy. However, some of the state-owned enterprises face inherent issues which has been documented in research by the European Commission and the IMF, as well as reports of the Auditor General. These reports highlight two pressing issues associated with most state-owned enterprises(SOEs):<ul style="list-style-type: none">Firstly, inefficiencies exist in the operation of these authorities and their current structure. This has been partly driven by the institutional setup of the state-owned enterprises and the lack of an appropriate incentive structure to improve productivity levels which remain low in absolute terms as well as relative to peers.Secondly, their relative underperformance compared to the rest of the economy which in turn exposes the state to contingent liabilities, potentially putting a strain on public finances.Progress in delivering reforms in this area has been slow. In order to modernise state-owned enterprises, the government should implement reforms for improving their governance and management to boost innovation, competitiveness and productivity.A fair and merit-based nomination process is one of the things that will help ensure that the boards of SOEs have the necessary competencies and authority to carry out their functions.		<ul style="list-style-type: none">Ministry of FinanceState-owned enterprises (SOEs)		TBD		
Key activities						Funding source
<ul style="list-style-type: none">Review the current framework for nominating boards in state-owned authorities and:<ul style="list-style-type: none">Significantly strengthen the qualification and professional experience requirements for applicants – adding professional qualifications to the selection criteria and giving sufficient credit to private sector experience may boost the professionalism of boards,Issue clear guidelines and statutory or policy limits for remuneration and role descriptions,Enhance integrity of board appointments by appointing individuals who are not directly or indirectly (i.e. immediately family, dependents or spouse) affiliated to any of the political parties to ensure there is no conflict of interest, andMake use of independent professional recruits and international advertisements. Anyone should be able to apply to be members of the Board of SOEs and the selection of the finalised set of individuals should be independent followed by a recommendation made to the President.Review and update the process to put candidates from the private sector on more equal footing.Make an active effort to appoint more international experts from the EU (which might mean remunerations of Board members could be revised).						TBD
Case studies						
N/A						
Dependencies						
N/A						
Expected impact		Ease of implementation				
5		5				

Initiative Area	Modernise state-owned enterprises and create the right incentives for innovation and efficiency	Owner	Ministry of Finance	Start	07/2024
Initiative ID: 7	Set operational and financial targets for state-owned enterprises			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has many state-owned enterprises. Some of the larger ones include the Cyprus Broadcasting Corporation, the Cyprus Telecommunications Authority and the Electricity Authority of Cyprus. These are large corporations which, in many cases, provide an essential service to the wider Cypriot economy. However, some of the state-owned enterprises face inherent issues which has been documented in research by the European Commission and the IMF, as well as reports of the Auditor General. These reports highlight two pressing issues associated with most state-owned enterprises (SOEs):<ul style="list-style-type: none">Firstly, inefficiencies exist in the operation of these authorities and their current structure. This has been partly driven by the institutional setup of the state-owned enterprises and the lack of an appropriate incentive structure to improve productivity levels which remain low in absolute terms as well as relative to peers.Secondly, their relative underperformance compared to the rest of the economy which in turn exposes the state to contingent liabilities, potentially putting a strain on public finances.Progress in delivering reforms in this area has been slow. In order to modernise state-owned enterprises, the government should implement reforms for improving their governance and management to boost innovation, competitiveness and productivity.Greater transparency in the entities financial, social and other performance and setting adequate entity-specific objectives will help state-owned enterprises (SOEs) align better with market discipline and objective performance benchmarks, thereby strengthening accountability.In defining and evaluating progress towards these operational and financial targets, the sustainability of the SOE’s business model, current economic conditions and long term national and EU-level goals should be considered.		<ul style="list-style-type: none">State-owned enterprises (SOEs)		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Set adequate entity-specific objectives to help SOEs align better with market discipline.Set a performance management framework to measure and monitor performance against specific and objective benchmarks to strengthen transparency and accountability.Define specific strategic, operational and financial targets to ensure the sustainability of the SOE’s business model in alignment with current economic conditions and long term national and EU-level goals.Put in place a credible compliance mechanism, including appropriate penalties for missing targets.				Funding source	Consider seeking technical assistance through TSI
				Case studies	N/A
				Dependencies	6 & 8
Expected impact	3	Ease of implementation	4		

Initiative Area	Modernise state-owned enterprises and create the right incentives for innovation and efficiency	Owner	Ministry of Finance	Start	07/2023
Initiative ID: 8	Align governance and operation practices of state-owned enterprises with international best practice			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> Cyprus has many state-owned enterprises. Some of the larger ones include the Cyprus Broadcasting Corporation, the Cyprus Telecommunications Authority and the Electricity Authority of Cyprus. These are large corporations which, in many cases, provide an essential service to the wider Cypriot economy. However, some of the state-owned enterprises face inherent issues which has been documented in research by the European Commission and the IMF, as well as reports of the Auditor General. These reports highlight two pressing issues associated with most state-owned enterprises (SOEs): <ul style="list-style-type: none"> Firstly, inefficiencies exist in the operation of these authorities and their current structure. This has been partly driven by the institutional setup of the state-owned enterprises and the lack of an appropriate incentive structure to improve productivity levels which remain low in absolute terms as well as relative to peers. Secondly, their relative underperformance compared to the rest of the economy which in turn exposes the state to contingent liabilities, potentially putting a strain on public finances. Progress in delivering reforms in this area has been slow. In order to modernise state-owned enterprises, the government should implement reforms for improving their governance and management to boost innovation, competitiveness and productivity. The government should seek to bring the standards of SOEs closer to private sector counterparts in terms of management and financial reporting practices. 		<ul style="list-style-type: none"> State-owned enterprises (SOEs) 		N/A	
Key activities				Budget	
<ul style="list-style-type: none"> Reduce direct government control over SOEs and give more autonomy to SOE boards to innovate and implement strategies consistent with Vision 2035. From a human capital perspective, greater independence means more powers to dismiss underperforming employees, offer bonuses for exceptional performance and develop a merit-based promotion framework for employees. Align governance and operational practices to the OECD's Guidelines on Corporate Governance of State Owned Enterprises, which sets out global best practice and provides concrete advice to countries on how to manage more effectively their responsibilities as company owners, thus helping to make state-owned enterprises more competitive, efficient and transparent. At the same time, ethics and anti-corruption practices should be more strict in SOEs to set an example for private corporations. You may also consider utilising governance principles included in the “Κώδικας Δημόσιας Διακυβέρνησης”. 				TBD	
Expected impact		Ease of implementation		Funding source	
3		4		TBD	
				Case studies	
				N/A	
				Dependencies	
				6	

Initiative Area	Modernise state-owned enterprises and create the right incentives for innovation and efficiency	Owner	Ministry of Finance (Μονάδα Αποκρατικοποιήσεων)	Start	Ongoing
Initiative ID: 9	Investigate whether privatisation of state-owned enterprises is the best option			End	Ongoing
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has many state-owned enterprises. Some of the larger ones include the Cyprus Broadcasting Corporation, the Cyprus Telecommunications Authority and the Electricity Authority of Cyprus. These are large corporations which, in many cases, provide an essential service to the wider Cypriot economy. However, some of the state-owned enterprises face inherent issues which has been documented in research by the European Commission and the IMF, as well as reports of the Auditor General. These reports highlight two pressing issues associated with most state-owned enterprises (SOEs):<ul style="list-style-type: none">Firstly, inefficiencies exist in the operation of these authorities and their current structure. This has been partly driven by the institutional setup of the state-owned enterprises and the lack of an appropriate incentive structure to improve productivity levels which remain low in absolute terms as well as relative to peers.Secondly, their relative underperformance compared to the rest of the economy which in turn exposes the state to contingent liabilities, potentially putting a strain on public finances.Progress in delivering reforms in this area has been slow. In order to modernise state-owned enterprises, the government should implement reforms for improving their governance and management to boost innovation, competitiveness and productivity.Privatisation in some cases may be the optimal option for modernising SOEs. While public finance constraints have been the primary motivation for privatisation efforts in the EU, privatisation can also be used to quickly and efficiently bring SOE’s efficiency in line with well-run private companies.		<ul style="list-style-type: none">Council of MinistersState-owned enterprises (SOEs) under consideration for privatisationTrade unions		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Investigate whether privatisation is the best option for SOEs. If part or all of the of the state assets are sold to entities that are the technological leaders in a particular space, then privatisation could also help quickly transfer technology between the entities. Partial privatisation, where a portion of company shares are placed on the stock market, is a softer alternative to full privatisation and may yield similar benefits, in particular helping SOEs to improve compliance with financial disclosure requirements and regulations.However, if privatisation or part privatisation is the course of action chosen, then exercise caution including making sure that the market is competitive (as Cyprus is by construction a small market and, in some cases, unable to host many operators) and that the institutions are set up such that all rules, laws and regulations are abided. If these conditions are not met, and if transparent procedures are followed consistent with international base practice, then the act of privatising entities could be sub-optimal and result to phenomena dubbed as ‘crony capitalism’ in economics.				Funding source	TBD
As an example of a privatisation to be considered, see the privatisation of the Stock Exchange under Component 3.3 "Business support for competitiveness", Reform 5 ("Strategic investor of the Cyprus Stock Exchange).				Case studies	N/A
Expected impact		Ease of implementation		Dependencies	
5		1		N/A	

Initiative Area	Build a local government which serves the needs of its community	Owner	Ministry of Interior	Start	07/2025
Initiative ID: 10	Build a local government which serves the needs of its community			End	06/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The European Commission has highlighted that although the Cypriot governance system is small in comparative terms to neighbours, it still struggled with effective coordination between the tiers of government (central and local) (European Commission, Public administration characteristics and performance in EU28: Cyprus, 2018).Local government shows similar signs that there is a surplus of staff as well as inefficiencies from the duplication of effort. For example, in recent years, the number of municipalities rapidly increased in Greater Nicosia which has a relatively small population – less than 200,000 people. Opportunities exist for much greater economies of scale and reform in these areas to bring about greater economic and financial efficiencies.A revised version of the municipal law was drafted in April 2019. This reform aims to empower municipal authorities by:<ul style="list-style-type: none">Transferring new competencies from central government to municipalities, for example in urban planning, issuing of permits, social policy, local infrastructure and maintenance and schools' maintenance.Reform of local finances to foster fiscal decentralisation.Legal supervision of local authorities that promotes administrative autonomy.New rules of transparency and democratic accountability.In order to deal with the problem of fragmentation in many of the smaller municipalities and communities, strategies for amalgamation are in place. The current scheme plans to amalgamate 30 municipalities and 50 communities into 17 new municipal authorities. This aims to lower running costs, reduce staff and increase productivity and economies of scale.The passing of the law remains in progress.		<ul style="list-style-type: none">Ministry of FinanceLocal municipalitiesUnion of Cyprus MunicipalitiesUnion of Cyprus CommunitiesDepartment of Environment (for waste management)Department of Town Planning and Housing (for building permits)Other Central Government departments which have a stake in services provided (or to be provided) by local authorities.		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4. Reform 6, page 336Local Government Reform in Cyprus: Final Options Report, Options 2 and 2a - Restructuring and Clustering of Municipalities and Communities (page 51), Findings and Recommendations: Central Government Recommendation 12 (page 55), Public Financial Management Reform (page 43)Municipal Waste Management Plan 2015-2021, Financial Market tools and incentives, page 286, 197	
Key activities					
<ul style="list-style-type: none">Accelerate plans for mergers and decentralisation to drive economies of scale and optimise government decision-making and the delivery of public services by giving greater autonomy to municipalities on community-related services (e.g. waste management). Greater autonomy must be underpinned by introducing the following mechanisms:<ul style="list-style-type: none">Identify sources of revenue for municipalities (e.g. road taxes). Local authorities should provide forecasting of financial (inflows and outflows) over time to enable better policy-making and long-term planning. It should also be a requirement that municipalities must publish their public accounts in a timely manner (i.e. less than 4 months before the calendar year end) driving accountability for spending and the use of public money.Introduce a clear set of standards that municipalities must adhere to in their delivery of public services. This should include a mandate of what they are responsible for and will be held to account for. It should include KPIs and targets, such as share of waste that is recycled, or time taken to issue certain permits with timeframes for implementation. It should also link to the proposed central government framework for policy appraisal (ID 4) – with guidance what assessments municipalities need to do when making decisions and investments.Subject municipalities to inspections whether they meet their KPIs or they are underperforming. In cases where there is suspicion that municipalities do not meet their KPIs, the central government should commission an inspection based on the principles of evidence and independence within a fixed time period. If the outcome of such an inspection is negative, then the central government should take control of the day-to-day decision-making including setting budgets.Develop clear zoning guidelines to stipulate building standards and where different types of construction can take place. The Department of Town Planning and Housing should develop such clear guidelines to facilitate consistency in decision-making across the country and sustainable practices, enabling municipalities to make consistent decisions. This is especially important for environmental considerations.Create positive incentives for best practice, such as excelling at recycling targets. These should be a mix of financial (i.e. additional funding) and non-financial, such as awards. This should also help create competition between municipalities and drive performance and innovation.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	5

Initiative Area	Transform the Civil Service to a modern employer which grows and develops its people	Owner	Public Administration and Personnel Department	Start	01/2023
Initiative ID: 11	Undertake Human Resource reforms to transform the Civil Service to a modern employer			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The existing evaluation system in the Civil Service does not create incentives for efficiency and strong performance as the majority of the civil servants are scored as excellent. In 2011, 99% of staff received at least six 'excellent' scores and no negative ratings. A modern system of evaluation should identify and reward efficiency and address underperformance.The Civil Service has in the past demonstrated its capacity for quick and effective response to new challenges. Nevertheless, sometimes there is resistance to change, which hinders progress and development. This mentality can make it difficult to modernize, with little incentive to challenge the status quo or innovate.The prevailing culture needs to become more flexible and focused on results, as opposed to bureaucracy, complemented by a basic standardisation of processes and procedures to ensure control and accountability.		<ul style="list-style-type: none">All Government personnel (Civil Service staff, Education staff and Security Forces staff)Trade unionsPublic Service Commission (Επιτροπή Δημόσιας Υπηρεσίας)			
Key activities					
<ul style="list-style-type: none">Reform the hiring and promotion process to be transparent, merit-based and emphasise performance. More specifically, the government should undertake the following reforms:<ul style="list-style-type: none">Consider adjusting public sector job descriptions, related to managerial positions, in such a way so as to allow for direct external hires. There may be instances (e.g. highly specialised positions where expertise in the private sector or academia is not deemed as deep) where this is not applicable. However, this practice should be considered as it will foster competition and safeguard that managerial positions up are assigned to the most suitable candidates.Set a formal schedule for summative feedback i.e. a mid-year review and a full-year review. This would be in addition to encouraging formative feedback at more frequent intervals.Hold independent assessments for promotions cases. Assessors should be trained in using the human capital framework to fairly and transparently assess performance. A comprehensive assessment can involve written forms and interviews with the assessed and their colleagues.Stress that 'negative' ratings are a signal of needing further support, e.g. more training, close mentoring, and not immediately a sign of dismissal. Department should also put in place standards for managing underperformanceSet up a Human Resource Office, responsible for conflict resolution and dealing with appeals. They must clearly communicate the appeals processes, with a robust framework in place to independently deal with appeals and to prevent disputes ending up at the Supreme Court.Update the skills framework with the competencies, technical and soft skills that a modern day Civil Servant requires. The framework should clearly outline the behaviours and capabilities required by civil servants to be effective in their roles including:<ul style="list-style-type: none">Key transferable skills:critical thinking, inclusive management practices, digital, leadership, innovation, creativity, negotiationKey technical skills: statistical analysis, environmental scienceDevelop and implement a new performance, promotion and hiring framework based on merit and skills. The objective of this is to create a merit-based civil service that is effective, efficient and impactful in its service delivery and that supports its people to constantly develop and grow in their careers. When developing and implementing the new framework, the following should be considered:<ul style="list-style-type: none">Set clear indicators and outcomes expected for each grade and department based on core competencies a civil servant should possess at each relevant grade. These should be publicised to the entire civil service and should be visible on an internal website to all. Where relevant this should also consider interactions with citizens as well as with stakeholders in the European Union.<ul style="list-style-type: none">The range of indicators and outcomes should be holistic, covering both traditional measures of success in a government-setting but also measures on how the employee has improved wellbeing for their colleagues, brought out the best in others, and championed values such as diversity and inclusion. This will be particularly relevant for managers..Innovation and creativity should be encouraged, with rewards for those who seek change and efficiency consistent with best practice globally.Communicate the new human capital framework a year ahead of implementation. It will be important to manage the phasing-in of the framework in such a way that gives civil servants adequate time to upskill.Set clear targets for departments and the civil servants. These targets should be outcomes based and tied to each ministry's action plans and the Long-term economic strategy of Cyprus with clear timelines. The aim of these targets is to incentivise department leads to better motivate and manage their people in line with national and EU-level goals. An example of a possible target is that the Ministry of Energy must open up the electricity market by 2022. Each outcome should be clearly assigned either to the remit of a department, or Ministry / government wide targets to account for the interdependencies and collaborative working of departments and Ministries. Clear accountability is key for driving commitment to achieving targets. Departments should report regularly, i.e. annually, on their progress towards their assigned targets.					
Expected impact		4	Ease of implementation	1	

Budget
TBD
Funding source
Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
Case studies
N/A
Dependencies
N/A

Initiative Area	Optimise the size and structure of the civil service to best serve its citizens and underpin Vision 2035	Owner	Public Administration and Personnel Department	Start	01/2022
Initiative ID: 12	Optimise the size and structure of the civil service to best serve its citizens			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">World Bank research suggest there exist a number of characteristics of the civil service system of Cyprus which restrain the productivity and innovation of workers.The present system is characterised by major inflexibility in the mobility of staff within the civil service and between departments, again restraining the development of staff and knowledge sharing.Currently, there is a disconnect between the size of various ministries and departments within government (i.e. the number of civil servants) and the size of the sectors primarily affected by their operations. For example, the Ministry of Agriculture has typically employed a significantly higher number of civil servants than is proportional to the share of agriculture in GDP.		<ul style="list-style-type: none">Public Service Commission (Επιτροπή Δημόσιας Υπηρεσίας)Cyprus Academy of Public Administration (CAPA)Government (Civil Service, Education and Security Forces)Deputy Ministry of Research, Innovation and Digital PolicyConnection to private sector through OEB, ETEK, ΣΕΑΚ, etc.		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Investment 2, page 473) and Component 3.4, Reform 1 (page 323)Strategic Framework for Fiscal Policy 2020-2022, Civil Service Reform, page 8	
Key activities					
<ul style="list-style-type: none">Facilitate staff mobility by:<ul style="list-style-type: none">Creating an Internal Careers Service to facilitate flexibility and agility across the civil service. Internal demands for resourcing can shift suddenly in response to world events, e.g. COVID-19 pandemic, or structural changes, e.g. climate change and an efficient public sector needs to be able agile to respond.Utilising the careers service to facilitate redeployments, i.e. help employees whose posts become redundant or are removed after the independent assessment to find appropriate jobs, where possible, within the Civil Service.Investing in an online portal for communicating new opportunities for secondments and roles.Implementing a policy of time-fixed secondments to businesses (i.e. green engineering, manufacturing) that will provide civil servants with a valuable private sector lens.Conduct a comprehensive assessment of the size and structure of the government on the basis of this national strategy. In line with the direction provided by the long-term economic strategy, and utilising the outcomes of several relevant functional studies undertaken in the past, the government should conduct a comprehensive and independent review of its departmental and ministerial structures, assessing their resource needs in line with the country’s strategic vision, current sectoral mix, government priorities and long term challenges. In this strategy for Cyprus, a number of new bodies, departments and a new Deputy Ministry of Climate Action, the Environment and Sustainability is recommended. These new strategic bodies do not necessarily require the hiring of new personnel. Instead, they should be used as a unique opportunity to restructure the size and shape of the different Line Ministries and Deputy Ministries to achieve the optimal re-allocation of talent. Using the skills and competencies framework developed in the previous step, the government can ensure that civil servants have the requisite skills to perform their departments’ allocated tasks to the highest possible standard.The overall aim should be to create a workforce, workplace and organisation of the future:<ul style="list-style-type: none">Strategically planned workforce requirements based on capacity, capability and skills needs and the use of flexible working models for greater impact and agility.New organisational structures, use of shared services and re-imagined workplaces to enable better service delivery and collaboration.The optimal size and structure of the government will also depend on any digitisation reforms in the public sector that will be undertaken as a result of the Vision 2035 and any other national plans / strategies / studies etc.					
Expected impact		Ease of implementation		Budget	
5		1		TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider whether funds from the Technical Support Instrument (TSI) can be utilised.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Create a diverse, agile and resilient civil service which acts fast to changes in the global, regional and local ecosystem	Owner	Public Administration and Personnel Department	Start	07/2028
Initiative ID: 13	Create a diverse, agile and resilient civil service			End	06/2030
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">As per the OECD report on “Skills for a High Performing Civil Service”, given that in today’s public sector change is constant, public investment in the skill sets of civil servants is required for government to become more nimble, agile and adaptable.The skilled civil service of the future needs a civil service which is: Merit based, Capable of integrating soft skills, ethics, talent management (future potential vs. past performance), Able to structure the right balance of generalist and specialist professions and career paths, Agile, Attractive to skilled job seekers, Planned and Managed to ensure the right skills and competencies are effectively allocated to areas of current and emerging need, Future oriented and responsive, Open and collaborative cultures, leadership and management, Engaged, Autonomous (e.g. work design), Mobile, Diverse and Learning oriented.		<ul style="list-style-type: none">Cyprus Academy of Public Administration			
Key activities					
<ul style="list-style-type: none">Introduce a Civil Service Graduate Scheme that ensures that all new hires are exposed to the same core training (i.e. leadership and digital skills) and are on a level playing field, despite different educational backgrounds. The scheme should involve rotations over two years in different government departments, encouraging new experiences and agility. It should be designed on the same principles as that of other leading civil services around the world, such as Singapore and the UK.Encourage diversity in the civil service by:<ul style="list-style-type: none">Developing a strategy for improving diversity in the public sector and setting specific Key Performance Indicators (KPIs) and targets that can be used to monitor and improve diversity and inclusion.Introducing mandatory unconscious bias training for all public sector workers on an annual basis.Aim to earn accreditations from Investors in People or other third party prestigious awarding bodies. This will provide the civil service with advice from expert practitioners to develop the civil service and help it to attract better talent. Such accreditations include:<ul style="list-style-type: none">Invest in people: accreditation for how well the civil service is supporting, leading and improving its workers.Invest in wellbeing: accreditation for how well the civil service is supporting the wellbeing of its workers.					
Expected impact		3	Ease of implementation		3

Budget	
TBD	
Funding source	
TBD	
Case studies	
N/A	
Dependencies	
N/A	

Initiative Area	Create a culture of continuous learning, training and excellence within the Civil Service	Owner	Cyprus Academy of Public Administration (CAPA)	Start	07/2026
Initiative ID: 14	Refresh the role and programmes of the Cyprus Academy and Public Administration (CAPA)			End	06/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Cyprus Academy of Public Administration must be refreshed to offer a more modern, accessible and digital training programme. New courses and training programmes should be offered in line with the skills gaps and in-demand competencies identified through the assessment framework proposed in the long-term economic strategy for sustainable growth for Cyprus (ID16) .The focus of this new training curriculum can be shared across both soft skills (e.g. leadership, management, resilience training) and technical skills (i.e. digital and ministry-specific areas such as renewable energy).		<ul style="list-style-type: none">Public Administration and Personnel DepartmentContribution from all Line Ministries, Deputy Ministries and Independent ServicesStrategic Planning and Development UnitAcademics		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 3&6, Component 5.1, Reform 5	
Key activities					
<ul style="list-style-type: none">Refresh the role and programmes of the Cyprus Academy of Public Administration. Specific reforms include:<ul style="list-style-type: none">Cater to different styles of learning. Beyond formal lecture and classroom-style learning, CAPA can offer a wide range of practical training opportunities e.g. mentoring, job shadowing and on-the-job learning. This type of learning is especially useful for new recruits, as it enables an efficient transmission of general knowledge and skills as well as an understanding of the specific workplace culture.Engage with modern ways of teaching. Training programmes should make use of digital technologies. Alongside traditional ways of teaching such as lectures and classrooms, CAPA can use a mixture of online recordings and virtual classrooms. This will not only help build digital skills through active usage of digital tools, but will also support full-time employees in fitting training around their work responsibilities.Learn from the best. The Cypriot government should seek to emulate leading international programmes for civil service training, e.g. Singapore or the UK. A key characteristic of these programme is their agile adaptation to changing priorities, e.g. COVID-19 has precipitated training courses in crisis communications. CAPA should keep abreast of the latest best practice.					
Expected impact	1	Ease of implementation	3	Budget	TBD
				Funding source	TBD. Consider whether funds from the Technical Support Instrument (TSI) can be utilised.
				Case studies	<ul style="list-style-type: none">Singapore: Civil Service Training (Appendix 4.2)
				Dependencies	11

Initiative Area	Create a culture of continuous learning, training and excellence within the Civil Service	Owner	Public Administration and Personnel Department	Start	01/2026
Initiative ID: 15	Mandate training for civil servants			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <div><ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Investment 7, page 355</div>	
<ul style="list-style-type: none">It should be mandatory for Civil Servants to complete a certain amount of training every year. Mandatory training can include a combination of annual training required for all public servants and one-off training required by specific grades.		<ul style="list-style-type: none">Cyprus Academy of Public Administration (CAPA)Judicial SchoolContribution from all Line Ministries, Deputy Ministries and Independent Services			
Key activities					
<ul style="list-style-type: none">Introduce annual training focusing on core compliance activities, reaffirming that public servants are observing the standard operating procedures of government. For example, the government should run annual training programmes on data safety, managing personal conduct in the workplace and ethics, including conflicts of interest and ethics training. These are key competencies that must be reinforced regularly and updated to align with changes in modern working practices and regulations.Design and introduce one-off training for specific grades that fits the requirements of differing roles and responsibilities. For example:<ul style="list-style-type: none">Training for all new joiners: government structure, networkingMiddle management: leadership, giving and receiving feedbackSenior management: driving value in peopleProvide public servants with an entitlement of trainings days each year, which they can use to attend trainings they have personally selected. For example, this could include training for technical skills such as coding or graphic design, or department-specific skills such as environmental science. Allowing civil servants to select training which aligns with their personal interests and career goals can help promote a culture of lifelong learning and development.					
Expected impact	2	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Singapore: Civil Service Training (Appendix 4.2)
				Dependencies	11

Initiative Area	Support the professional development of civil servants and ministers	Owner	Public Administration and Personnel Department	Start	07/2025
Initiative ID: 16	Set up a government think tank with a focus on professional development			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">A government think tank should be established with a focus on professional development. Its objective should be to spark ideas, generate debate, challenge preconceptions, bring experience to bear and make new connections that work to improve government for the benefit of society.		<ul style="list-style-type: none">Cyprus Academy of Public Administration (CAPA)Contribution from all Line Ministries, Deputy Ministries and Independent Services		<div>N/A</div>	
Key activities					
<ul style="list-style-type: none">Establish an independent government think tank to act as a catalyst for inspiring the best in government, which should be:<ul style="list-style-type: none">Innovative – push the boundaries of current knowledge, exploring and experimenting with diverse approaches to find the best solution.Rigorous – be thorough and precise to produce the highest quality data and services.Impartial – be objective in its approach, neutral and politically non-aligned.Its role should include:<ul style="list-style-type: none">Liaising with their European equivalent bodies on key research agendas and learn from them.Supporting the professional development of ministers and civil servants through events (see case study), courses and workshops, and special advisors who can offer impartial advice on a certain topic or area of policy.Acting as a vehicle for learning from past experiences in government. As such, the experience and input from previous ministers and government officials will be of importance.					
Expected impact	2	Ease of implementation	5	Budget	
				<div>TBD</div>	
				Funding source	
				<div>TBD</div>	
				Case studies	
				<ul style="list-style-type: none">UK: Institute for Government (IoG) think tank (Appendix 4.2)	
				Dependencies	
				<div>N/A</div>	

Initiative Area	Support the professional development of civil servants and ministers	Owner	Public Administration and Personnel Department	Start	01/12027
Initiative ID: 17	Create an award system for top performing civil servants			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The existing evaluation system in the Civil Service does not create incentives for efficiency and strong performance as the majority of the civil servants are scored as excellent.There is a growing emphasis on efficiency and labour productivity within the civil service. The development of performance-based arrangements provides an opportunity to set targets and create incentives that focus civil servants on performing at, and above, expectations.clear links should be visible between the performance appraisal system and a more general change management process, which would ideally include the reshaping of the public human resource policy in a country, by keeping basic public service and public administration values intact or reinforced: predictability, regularity, legal certainty, fairness, etc.		<ul style="list-style-type: none">Ministry of Finance		<ul style="list-style-type: none">Strategic Framework for Fiscal Policy 2020-2022, Civil Service Reform , page 8)	
Key activities					
<ul style="list-style-type: none">Create an annual Civil Service Awards programme to motivate and inspire civil servants, creating additional recognition incentives for outstanding work and innovation.Set clear criteria for the awards, illustrating outcomes and examples to ensure consistency and fairness in decisions.The values and outcomes the awards should focus on could include:<ul style="list-style-type: none">Core values – Has the individual demonstrated the core values and behaviours set out in the Civil Service Code? Has the individual acted with honesty, integrity, impartiality and objectivity?Above and beyond – Has the individual’s achievement gone above and beyond their normal job role?Working in partnership – Has the individual introduced effective joint working arrangements that connect colleagues from multiple teams, departments or other internal or external organisations?Innovation – Has the individual used innovative approaches, which have resulted in a step up from business as usual?Measurable benefits – Is the project or programme achieving tangible results?Impact – Has the individual made an impact beyond their immediate team/business area/department?Sustainability – Does the project leave a legacy, and can it be replicated across government?Inclusion – Does the individual successfully bring to life the values around diversity and inclusionIdentify businesses to sponsor the awards - a way of driving collaboration between the public sector and policymakers					
Expected impact	2	Ease of implementation	1	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	11

Additional case studies

With effective government machinery

Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny



Case study: Singapore

Attracting and retaining talent in the Civil Service

The Singapore public sector employs around 127,000 officers in 15 ministries and more than 50 independent government agencies with around 76,000 officers. The three agencies that oversee the talent management are the Public Service Commission (PSC), PSD, and CSC. There are four key talent management schemes in Singapore.

1. Pre-Service Scholarships

The Singapore Government believes that offering pre-service scholarships is the best way to attract the best and brightest young men and women to serve the government. Since 1962, about 60 scholarships administered by PSC are granted annually to ensure talents in the succession pipeline. PSC scholarships are targeted at recruitment for critical high-level public service functions (Neo and Chen 2007). There are a variety of scholarships with no stringent restrictions in the field of study designed to cater to candidates with different abilities and interests and no quota on the number of scholarships to be awarded.

Candidates are assessed primarily, based on their high school academic results; leadership potential and the desire to serve the public are of secondary criteria. The candidates go through a few rounds of interviews and psychometric tests administered mainly by PSC. Scholars have to serve a 5 to 7 year bond to the government upon return and will be deployed throughout the Service through a 4-year Management Associate scheme before they are considered for the Administrative Service. Aside from the above, the Singapore government also binds those who receive scholarships from outside to work for the Singapore government. So for example those on the Japanese Monbusho scholarship are also obliged to serve the Singapore public sector upon their return.

2. Management Associate Program (MAP)

MAP is a career development program for scholars from 2002, which would give scholars a management track career in the Civil Service upon their graduation. The higher-tier PSC administered scholarship holders will automatically join the MAP and in-service officers, with less than two years of experience, could also be nominated for the program. There are also open recruitments to attract mid-career individuals to join the scheme.

The Management Officer (MA) typically spends the first two years in a parent Ministry to gain professional experience. This is followed by an external posting with a different Ministry to an Administrative Service-type job for two years. During this period, MAs will be given opportunities to participate in a wide range of training and development programs to broaden their perspectives on public sector issues and deepen their managerial and leadership capabilities. It also includes a three-month Foundation Course, which covers visits to ASEAN countries, cross-ministry project teams, policy forums, overseas conferences and study visits.

3. Administrative Service (AS)

This scheme marks the 'crème' of the crop of Singapore's civil servants. PSC appoints these Administrative Officers (AOs) while PSD manages their deployment designations and career paths. Although scholars only account for 10 percent to 15 percent of all division one officers, the majority of officers in the AS are scholars. At the end of the 4-year MAP, the MAs would be interviewed for entry into the Administrative Service. AOs are responsible for developing and implementing national policies in consultation with the political leadership. Apart from formal training, AOs are also exposed to a wide variety of jobs to maximise their experience and expertise, including working in private sector companies. Milestone programs are planned for AOs at every stage of their careers and are pushed to take leadership roles very early. Thus, directors of departments in Singapore are relatively young at the age of mid 30s when compared to Malaysia and Thailand. The top performing AOs would take up permanent secretary positions in the end. By their mid-30s if the AOs estimated potential is of less than deputy secretary of the ministry, he or she would usually be asked to leave the service (Neo & Chen, 2007). AOs are paid on a much higher pay scale than normal civil servants. The annual salary of an Administrative Officer in the entry Superscale grade is pegged to the annual salary of the 15th top earner aged 32 years belonging to the top six professions. In 2008, this was \$398,000 per year SGD (Public Service Division, 2007). Currently there are about 200 AOs in the service.

4. High Potential Program (HiPo)

The High Potential (HiPo) Program is for in-service officers. The objective is to develop broader leadership capabilities across the civil service. As part of the Program, the officers will have opportunities to attend milestone-training programs, participate in inter-agency project teams, be posted to an external ministry or organisation, attend forums on leadership and governance, and undertake challenging assignments. Typically, officers would need to have at least 2 years of service before they are nominated for the program. There are no clear criteria that can be found in the public domain. Based on interviews, they also undergo stringent assessment and selection processes.

Source: UNDP Global Centre for Public Service Excellence, Global & Regional Trends in Civil Service Development, 2016.

3.3.2

World's leading model nation

With effective government machinery

Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny

We have evaluated and mapped all initiatives under the “efficient legal system which resolves disputes fast” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “efficient legal system which resolves disputes fast” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Accelerate efforts to reform the justice system and clear the long standing backlog of cases	Owner	Supreme Court	Start	01/2022
Initiative ID: 18	Establish temporary courts to clear the backlog of cases			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has a strong justice system in terms of its independence and quality. The legal system in Cyprus is based on Common Law which is cited as one of the attractions for international investors. However, the justice systems falls down on its efficiency, specifically the time taken to conclude civil, commercial, administrative and other cases. Third party evidence shows that the average time to award justice on civil, commercial, administrative and other cases is three years (European Commission, Justice Scoreboard 2019).It is vital that Cyprus streamlines its judicial system and ensures that there is no backlog of cases.The main inefficiencies stem from outdated and complex rules for civil procedures, the absence of digitalisation, the low usage of mediation and subpar court’s buildings which hinder operations.Progress to reform the justice system is limited. The authorities must urgently complete the actions summarised in the 2017 Action Plan set by the European Commission funded Functional Review of the Courts System.Addressing inefficiencies in the judicial system is crucial to attract greenfield foreign direct investment. A fast and efficient justice system will also provide the citizens and businesses of Cyprus with a sense of trust in Cyprus’s institutions and should also contribute to reduce the perceived high level of corruption. It will also enhance Cyprus’s credibility internationally, as Cyprus is one of the few locations within the European Union where Common Law is practiced.		<ul style="list-style-type: none">District courtsMinistry of FinanceMinistry of Justice and Public OrderCyprus Bar Association		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 8, page 349Functional Review of the Courts System of Cyprus, 2018 4.2.1 Addressing the Backlog of Cases, page 124	
Budget					
TBD					
Funding source					
Initiative already in progress with funds secured. If further funds are needed consider national funds.					
Case studies					
<ul style="list-style-type: none">UK: Nightingale courts (Appendix 4.2)					
Dependencies					
N/A					
Expected impact		5	Ease of implementation	3	

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Law Office of the Republic of Cyprus	Start	07/2022
Initiative ID: 19	Establish the Courts Service of Cyprus to lead the administration of the justice system			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Establishing the Courts Service of Cyprus will be an important step towards the modernisation of the justice system. It should be an independent statutory body including a Chief Executive and management team as well as a streamlined structure to focus on operations and support functions.As per the Functional Review of the Courts System of Cyprus 2017-2018, a recommendation was included under the area of Management Structures to “Establish the Courts Service of Cyprus as an independent statutory body to undertake all aspects of management, administration and support to the courts. The Service will be governed by a Board with a judicial majority chaired by the President of the Supreme Court with representation from key stakeholders”.		<ul style="list-style-type: none">Supreme CourtMinistry of Justice and Public OrderMinistry of FinancePublic Administration and Personnel DepartmentHouse of Representatives		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 8, page 349Functional Review of the Courts System of Cyprus, 4.2.3 Addressing the Backlog of Cases, page 132	
Key activities					
<ul style="list-style-type: none">Establish the Courts of Service of Cyprus to lead the administration of the justice system, an independent statutory body including a Chief Executive and management team as well as a streamlined structure to focus on operations and support functions. The powers and functions of the Courts Service of Cyprus must be clearly set out in statute, but should, among others, include:<ul style="list-style-type: none">administration of the justice system for a fair, efficient and accessible courts system,supporting an independent judiciary in the administration of justice,driving improvements across all aspects of the administration of the courts and tribunals,collaborating effectively with other justice organisations and agencies, including the legal professions, to improve access to justice,working with government departments and agencies to improve the quality and timeliness of their decision-making, which will reduce the number of cases coming before courts.The Service will be governed by a Board with a judicial majority chaired by the President of the Supreme Court with representation from key stakeholders.Draft the statutory framework for the new service including the composition and role of the Board.Enact relevant legislation.Establish the Board.A potential risk could be the lack of political support and/or, the lack of provision of appropriate legal and secretarial support.We understand that a relevant study is currently in progress from the Council of Europe. Consider the results of this study for the planning and implementation of this initiative.					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Supreme Court (Court Reform Steering Committee)	Start	01/2023
Initiative ID: 20	Investigate improvements to the appeal process			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The number of appeals now outstanding is simply causing the system to grind to a halt. The establishment of the Administrative Court has helped to some degree in freeing up judicial time and capacity creation, however the problem is ongoing.The revision of the appeals process should aim to limit the flow of appeals to the Supreme Court, thus allowing it to focus on its role as the highest constitutional court in the land.We understand that a draft law relating to the establishment of a court to resolve appeal cases is under review and that the buildings to house this court are already available.		<ul style="list-style-type: none">Ministry of Justice and Public OrderCyprus Bar Association			
Key activities					
<ul style="list-style-type: none">Establish a Review Group to investigate the following:<ul style="list-style-type: none">Establishment of a second-tier Court of Appeal for an effective appeal processThe future role of the Supreme Court in the appeal process, including possible establishment of a separate Court of AppealRestrictions on the absolute right to appealPotential for more paper-based appealsSingle judge court appealsCategorisation of appeals based on urgency and complexity to better identify which court is better equipped to handleEstablishment of a fast-track arrangement for urgent appealsRules and procedures for any proposed systemEstablishing benchmarks for time to process appealsConsider the impact of e-justice on the appeals processAgree the Review Group’s terms of referenceConduct the review to investigate the aboveMake recommendations for the revised arrangements for the hearings of appeals					
Expected impact		4	Ease of implementation		2
				Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				18	

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Supreme Court	Start	04/2023
Initiative ID: 21	Reduce judicial administrative burden			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> Judicial time and a consistent approach to case management are important to ensure that cases are heard in a fair and equitable manner. Currently, a main reason why there is backlog of appeals is the lack of court time. Therefore a number of measures must be taken to optimise the use of judicial time. The Supreme Court hears appeals against the decisions of the Administrative Court. In accordance with Law 33/64, the appeal bench is composed of three judges. Appeals against the judgment of the Supreme Court in its former first instance administrative jurisdiction (cases lodged up to 31/12/2015) are currently heard by two five-judge benches. If the law permits, changing to the lower composition bench for all revisional appeals would free up judicial time and allow for the creation of an additional appeal bench for civil appeals. The court registrars and legal officers that are assigned to the Judicial Service in Cyprus are all qualified lawyers. In other jurisdictions, registrars, as part of the case management process, carry out a range of routine procedural duties. This does not interfere with the decision-making role of the judiciary, but it does allow more judicial time to be devoted to the hearing and adjudication of claims. The Supreme Court is responsible for the appointment, promotion and transfer of judges and currently the entire bench of the Supreme Court has to attend all interviews. This requires a lot of dedicated time and it could also be argued that an interview board comprised of thirteen members is too large and not aligned with best practice. To allow the judiciary to manage their time effectively, appropriate supports in the areas of information technology and legal research are vital. The currently inadequate level of stenography, or stenotyping support is negatively impacting on the efficient use of judicial and court time, as it is not always possible to provide a stenographer for each court hearing. In such situations, the judge, in addition to listening to the evidence and managing the progress of the hearing, is also required to take the notes of the case. This can lead to serious delays in the production of the written record or order, not to mention the negative impact on the time taken to conduct proceedings. Digital recording of court proceedings will allow for consistent and timely production of transcripts, or part thereof, as required, as well as allowing for evidence to be replayed in court if necessary. 		<ul style="list-style-type: none"> Ministry of Finance Ministry of Justice and Public Order Cyprus Bar Association Law Office of the Republic of Cyprus Deputy Ministry of Research, Innovation and Digital Policy 		<ul style="list-style-type: none"> Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 9, page 352 Functional Review of the Courts System of Cyprus, 4.2.5 Judicial Time Management, page 144 	
Key activities				Budget	
<ul style="list-style-type: none"> Consider reducing the composition of the appeals bench to three judges for all administrative appeals. Expand the role of Registrars and Legal Officers to include dealing with routine procedural matters, assisting in research and the drafting of judgments. The most effective and efficient deployment of Legal Officers within the courts system will need to be considered once the new Courts Service of Cyprus has been established. Examine the composition of interview boards for judicial appointments with a view to reducing the number of Supreme Court judges directly involved. Provide judges with modern ICT hardware, software, and remote access to relevant systems, with appropriate training and support. Access to online legal databases and resources should be facilitated. To reduce judicial administrative burden digital audio recording (DAR) of court proceedings should also be introduced in order to reduce time spent on shorthand proceedings and improve efficiency (this initiative is addressed in ID 24). 				TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				19 & 24	
Expected impact	3	Ease of implementation	4		

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Ministry of Justice and Public Order	Start	07/2025
Initiative ID: 22	Introduce Alternative Dispute Resolution mechanisms			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The primary purpose of alternative dispute resolution (ADR) is to ensure the speedy, cost effective resolution of disputes so that court hearings are a last resort for litigating parties.No such schemes of ADR exist in Cyprus, where initiation of court proceedings is generally seen as the first step in litigation.Relatively few civil applications proceed to full trial, leading to the conclusion that many civil disputes could be settled outside the courts system. This fact makes a compelling case for the introduction and promotion of ADR mechanisms in Cyprus, particularly in areas such as personal injuries and consumer disputes.		<ul style="list-style-type: none">Supreme CourtJudicial Training School			
Key activities					
<ul style="list-style-type: none">Identify and introduce ADR mechanisms in consumer disputes and injuries assessment cases as an alternative to issuing court proceedings.Courts should actively encourage mediation in cases where settlement is considered to be a likely outcome. Draft and agree the role of ADS in the case management process.Amend the Rules of Court to make provision for the court to refer cases to mediation.Offer training courses to judges and lawyers to provide them with the skills to promote alternative dispute resolutions and mediation.					
Expected impact	2	Ease of implementation	3	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	-Supreme Court -Judicial Training School	Start	07/2024
Initiative ID: 23	Enhance judicial assignments and training			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">District Judges are currently assigned on a two-year basis to a specific court and business. Although the ability to assign judges to different courts and business is important for maintaining flexibility in a small system, and this flexibility should be preserved, the current method of rotation of judges creates certain inefficiencies in the system. For instance, it may create discontinuity when cases are ongoing at the time of the transfer of judges.The application of a less formulaic or rigid approach to the current two-year rota of assignments at district court level would overcome some of the practical problems now being experienced.In order to help ensure that the rotation of judges does not militate against the development of specialist expertise, the development of judicial expertise in specific areas should become part of a continuing professional development programme for judges.The EU Justice Scoreboard has consistently highlighted the lack of training for the judiciary in Cyprus. The Law (1)/2020 was enacted in 2020 providing for the establishment of a Judicial Training School aiming to fill this gap in judicial training and the Supreme Court accordingly has recently appointed the first Director and Board of the School.		<ul style="list-style-type: none">Cyprus Bar Association			
Key activities					
<ul style="list-style-type: none">Modify the current two-year rota system to ensure that judges rotate at different times in the cycle, thus ensuring that there is continuity of expertise and input to trials. Make the development of expertise in specific areas part of the continuing professional development programme for judges.Develop and deliver a Continuing Professional Development (CPD) programme mandatory for all judges, as part of the Judicial Training School. Its curricula should focus on:<ul style="list-style-type: none">The interpretation and application of the Rules of Civil ProcedureDigital skills to support with the digitalisation of the justice systemTargeted areas of law as required before or during an assignment of a judge to a specific court, list or type of caseTime managementThe School can also seek more input, advice and guidance from the Council of Bars and Law Societies of Europe and learn from best practices from other such schools in the EU and also benefit from talks, presentations and training from experienced instructors.Train judges in the detail of Vision 2035 and the implications for the legal system. For example, the authorities must continuously train judges in the field of corporate law to improve international competitiveness and to underpin Cyprus’ position and reputation as a business and trade hub. In addition, there should also be a focus on environmental law.A mentoring system where more experienced judges train/mentor newly appointed or less experienced judges is already in place, however further enhancement should be considered such as the direct involvement and increased number of seminars/education from broader ecosystem players e.g. academics, bar association, international experts and/or judges.					
Expected impact	3	Ease of implementation	3	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 24	Promote digitalisation and set up an e-justice system			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The operations of the Courts are almost entirely based on manual and paper-based systems, with only rudimentary ICT facilities in place. In the 2020 EU Justice Scoreboard Cyprus scored poorly in the area of providing statistical information about the justice system to the public and other court users.To address these problems, a project is currently underway for the implementation of a holistic e-justice system. E-Justice is widely considered key to streamlining and expediting justice. The project currently under implementation is a fully functional, fully fledged digital solution aimed at improving the operations, processes and management of the judicial system, as well as its interactions with the public, addressing existing inefficiencies and delays.The covid-19 pandemic necessitated the implementation of an interim digital solution until the full-fledged system is fully functional and operational. This interim solution (the pilot-eJustice solution) covers the basic needs between 2020 and 2022 and lays the foundations for a smoother transition to the new digital era in the field of justice. In addition, it addresses early on possible impediments/risks that would otherwise arise during the deployment of the permanent solution.As of July 2021, we understand that the new pilot system is fully implemented in all courts in Cyprus, except for the International Protection Administrative Court, as well as in all jurisdictions except the criminal jurisdiction of the District Court, the Criminal Court and the Supreme Court.The implementation of e-justice will introduce case filing and payment, case categorisation, case searching, document production and management, tracking and monitoring systems to support the streaming of cases, monitor compliance with orders and protocols and manage allocations of cases to hearing, Court calendar, decision execution and management, case closing and evidence management.		<ul style="list-style-type: none">Supreme CourtMinistry of Justice and Public Order		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 9, page 352Functional Review of the Courts System of Cyprus, 1.10 E-Justice Project, page 25	
Key activities					
<ul style="list-style-type: none">Complete the development and installation and go-live of the fully-fledged e-justice system which includes:<ul style="list-style-type: none">A digital court administration system and digital case management system;Digital audio recordings of court proceedings (using advanced audio processing techniques for the Greek language and the Cypriot dialect which is sometimes used in the Cyprus courts) to allow for consistent and timely production of transcripts (i.e. within the day of the trial);Video conferencing technology for tele-hearings, which allow for virtual and remote hearings to take place.Equip judges with modern ICT hardware, software and relevant systems, with appropriate technical training. Ensure ample and uninterrupted funding so that technology, laptops and Wi-Fi are all maintained to high standards and speeds.Engage with international counterparts to understand how new technology like AI and machine learning can be used to assist and deliver justice. Identify pilot courts and judges, which can then be scaled up.This is a highly complicated and demanding project, not only in terms of technological infrastructure and skills required, but also as regards the imperative need for change in processes and procedures and most importantly, culture. In order to effectively address all these parameters, all stakeholders (both internal and external users), from both the public and the private sector, need to work closely together to fully understand the many requirements and functionalities of the system, as well as identify and mitigate the effect of all challenges and barriers related to its successful implementation.					
Expected impact	4	Ease of implementation	1		
				Budget	Funds secured through the Recovery and Resilience Fund (RRF)
				Funding source	Recovery and Resilience Fund (RRF)
				Case studies	N/A
				Dependencies	67

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Supreme Court	Start	07/2022
Initiative ID: 25	Establish Commercial Courts which will be assigned to resolve disputes of commercial nature			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has a large number of commercial cases that are pending trials. This reflects the increasingly complex nature of economic transactions and the Cypriot courts need to adapt to this.The EU Justice Scoreboard for 2017 shows that the time needed to resolve cases in Cyprus is amongst the highest in the EU, and that Cyprus ranks among the EU countries with the highest number of civil and commercial cases pending hearing per 100 inhabitants.Accordingly, the authorities should proceed to establish Commercial Courts which will be assigned resolving disputes of commercial nature.This should help Cyprus also increase its international reputation and credibility as a jurisdiction which solves commercial cases.The setting up of a new specialised Commercial Court is also on the cards, designed to deal exclusively with commercial cases of over EUR2 million in value. In 2016, the Supreme court proposed the establishment of a Commercial Court which was expected to commence operation in 2018/2019. However, to date this has not yet materialised.		<ul style="list-style-type: none">Ministry of Justice and Public Order		N/A	
Key activities					
<ul style="list-style-type: none">Proceed to establish Commercial Courts which will be assigned resolving disputes of commercial nature. The courts will also assume the admiralty jurisdiction of the District Courts.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Build a modern and efficient judicial system where justice is served fast to grow a lasting culture where the rule of law prevails	Owner	Supreme Court	Start	01/2022
Initiative ID: 26	Implement the newly amended Civil Procedure Rules (CPR) aiming at speeding up decisions and improving efficiency.			End	06/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The current old and outdated Rules of Civil Procedure are a serious contributory factor to delays. There was agreement amongst all stakeholders that Rules required a fundamental review so that the hearing of cases is conducted in a modern and efficient way in order to deliver a less costly, more accessible, and more timely service to parties.To this end, an amendment to the Civil Procedure Law that will make it easier to carry out court decisions to seize movable property has already been approved by the Supreme Court.The introduction of amended Civil Procedure Rules will no doubt enhance considerably the efficient determination of cases and will be an obstacle to the creation of a new backlog of cases in the future.The new Rules should be timely implemented in a uniform manner by all judges, lawyers and court staff.		<ul style="list-style-type: none">Judges' AssociationBar Association			
Key activities					
<ul style="list-style-type: none">Set a strict timeline for adopting the amended Civil Procedure Law (2020 European Semester). This will enable the justice system to strengthen its judgement enforcement.Develop explanatory manuals and train judges, lawyers and court staff to safeguard that the new Rules are applied uniformly and in accordance with the overriding considerations.Implement a communication strategy for the new Civil Procedure Law.					
Expected impact	3	Ease of implementation	4	Budget	
				TBD	
				Funding source	
				National Budget	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Additional case studies

With effective government machinery

Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny



Case study: Austria

Digitalising the courts

Austria is a leader in the use of IT in its justice system.¹ Digitalisation efforts began all the way back in 1989 with the introduction of digital data collaboration between courts, parties and their representatives. Automation efforts have continued with the digitalisation of the land register, attestation register, commercial register, and the introduction of e-filing, electronic signatures and videoconferencing. The standardisation of IT architecture across departments has been instrumental.

The cornerstone of the digitalisation has been the automation of the court procedure system, which maintains a register of over 50 courts processes, some of which are handled entirely automatically. The system allows new court entries to be transmitted electronically and court fees to be collected electronically and cash-free. The uptake of digital services was encouraged by lower court fees for digital filing. In 2013, a new strategic initiative called Justice 3.0 was announced, outlining a vision for the justice system's entire IT landscape. It will produce a roadmap for digital transformation, with a goal of an all-digital handling of proceedings. VET is collaboration with the private sector – over a third of Swiss companies engage in apprenticeship training programmes, resulting in strong skills tailoring and matching.

Source: McKinsey & Company, World Class Government: Transforming the UK public sector in an era of austerity: five lessons from around the world, 2015.



Case study: Romania

Digital audio recording (DAR) of court proceedings

Introducing audio recording is a relatively low-cost intervention, yet has been shown to achieve profoundly positive impacts across justice systems. Romania introduced audio recording in all courts in 2015, as part of the €110 million Judicial Reform Project supported by the World Bank. According to the Implementation Completion Report for this project, audio recording improved both the efficiency and accountability of Romanian judicial system.

Benefits for digital court recording include:

- **Increased efficiency:** real-time transcription allows judges and lawyers to view the transcript feed concurrently. This enables them to review recent testimony, and mark transcripts for review. This saves time and money for the court, lawyers and other parties. In addition, the transcripts will be available for review by trial participants
- **Increased accountability and transparency:** National Judicial Inspection can use the recordings to monitor judges' behaviour. The recordings have already been used in a variety of corruption and misconduct cases. Previously, only handwritten notes were kept by clerks, but these were unreliable for more formal complaints against misconduct. This can also help to prevent procedural abuse and corruption in the courts.
- **Civilising behaviour:** digital recording encourages more civilised behaviour in courtrooms, which in turn can improve demeanour, norms of behaviour, user experience and overall satisfaction with the judicial process
- **Increased access to justice:** real-time transcripts and audio amplification can help increase access to justice for people with hearing disabilities. It can also help improve the quality of translation and interpretation, opening wider access to justice for people with less fluency in the language of justice of the country.

Source: World Bank Blogs, Harley G. and A. Said, E-justice: does electronic court reporting improve court performance?, 2018.

3.3.3

World's leading model nation

With effective government machinery

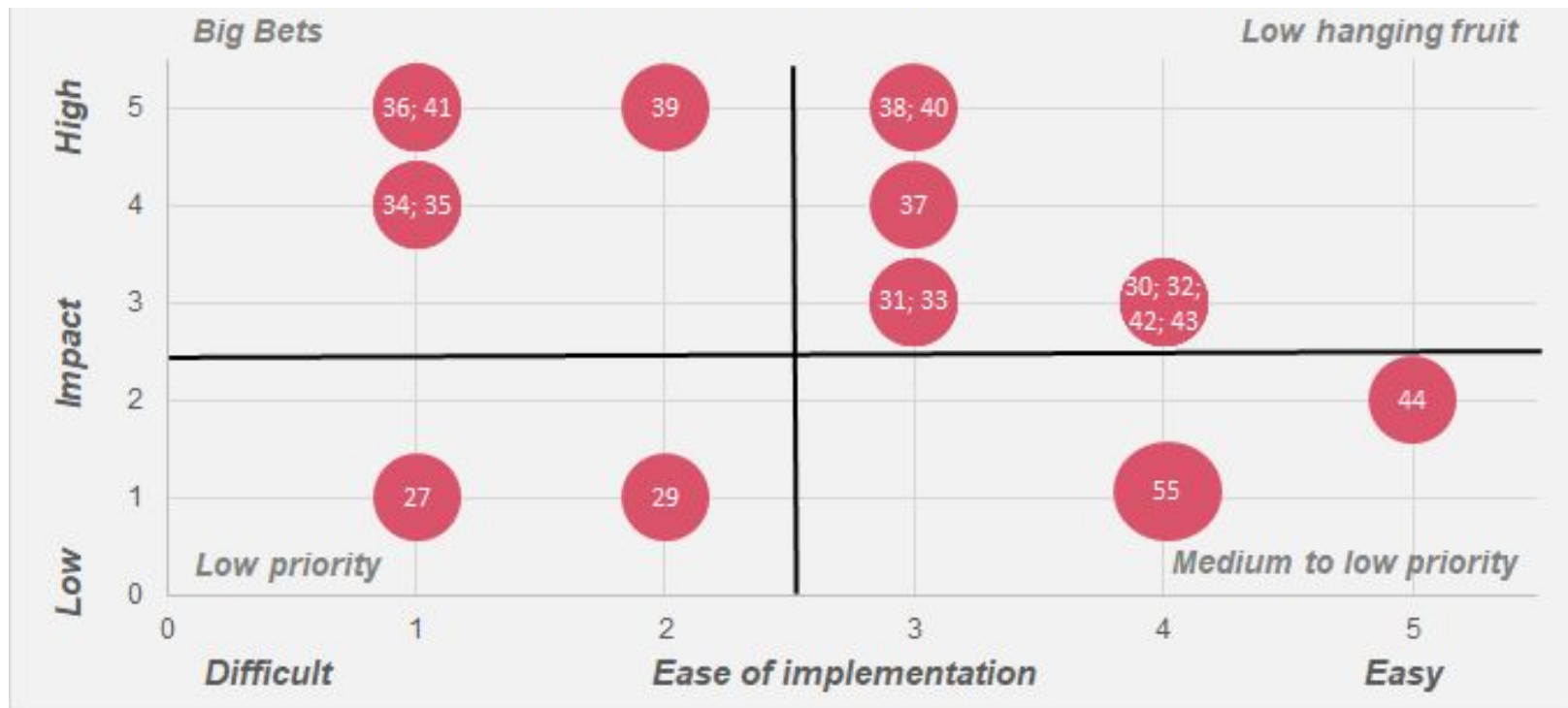
Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny

We have evaluated and mapped all initiatives under the “**open, transparent and fair marketplace for everyone**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**open, transparent and fair marketplace for everyone**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Set up a level-playing field for all businesses in Cyprus	Owner	Commission for the Protection of Competition	Start	01/2022
Initiative ID: 27	Strengthen the Commission for the Protection of Competition			End	06/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus can leverage its existing professional services sector to develop more niche, high-value activities including risk management, fund administration, strategy consulting, bespoke architectural, engineering services, shipping services etc.To do this, Cyprus will need to signal that it is a transparent and credible place to do business. In practice this means strengthening the foundations that allow for fair and open interactions between businesses and consumers, and businesses and other businesses.Key of these foundations is a regulatory and governance system that fosters competition while at the same time protecting customer rights and product quality. By developing this regulatory and governance system, Cyprus will be able to create a level-playing field for all businesses, supporting competitiveness and growth across all sectors.Accordingly, one of the things that the government should do is to strengthen the independence and the effectiveness of the Commission for the Protection of Competition (CPC). The CPC should undergo a comprehensive reinforcement of its workforce, both in terms of quality and quantity.A strong mandate for the CPC, that continuously promotes a more active role of the CPC in the area of advocacy, will be a key to safeguarding and promoting fair and open competition between businesses in Cyprus		<ul style="list-style-type: none">Public Administration and Personnel DepartmentMinistry of Finance		N/A	
Key activities					
<ul style="list-style-type: none">Ensure that the CPC has sufficient and stable financial means, as well as qualified personnel. Support the CPC in attracting more experts from abroad, for example by offering wage support or by facilitating the work permit and visa processes.Support the CPC with funding (through national sources) adequate for its growing role, importance and size reflecting the complexities of markets in a growing EU economy as well as the need to have a level-playing field across all businesses.Give the CPC an urgent mandate based on Vision 2035 that is inspirational and motivational, and that encourages them to be on top of their game. In the future, there may a significant transformation in Cyprus's economy:<ul style="list-style-type: none">From a landscape of many small firms to one of larger, fewer firms in certain sectorsThe presence of more international firmsNew entrants into previously state-owned monopolies (i.e. electricity sector)					
Expected impact	2	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Set up a level-playing field for all businesses in Cyprus	Owner	Cyprus Advertising Regulation Organisation	Start	07/2022
Initiative ID: 28	Strengthen the Cyprus Advertising Regulation Organisation			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus can leverage its existing professional services sector to develop more niche, high-value activities including risk management, fund administration, strategy consulting, bespoke architectural, engineering services, shipping services etc.To do this, Cyprus will need to signal that it is a transparent and credible place to do business. In practice this means strengthening the foundations that allow for fair and open interactions between businesses and consumers, and businesses and other businesses.Key of these foundations is a regulatory and governance system that fosters competition while at the same time protecting customer rights and product quality. By developing this regulatory and governance system, Cyprus will be able to create a level-playing field for all businesses, supporting competitiveness and growth across all sectors.The Cyprus Advertising Regulation Organisation (CARO), an independent non-profit body, joined the European Advertising Standards Alliance in 2013. Its role in Cyprus is to ensure that advertisements are legal, decent, honest and truthful by applying the Cyprus Advertising Code.The government must support CARO and ensure that it has the sufficient personnel and resources to carry out its functions and public service role. CARO should also be supported in upskilling its personnel, and enhance its advertisement monitoring and analysis procedures with the latest technologies.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMunicipal and community councils		N/A	
Key activities					
<ul style="list-style-type: none">Ensure that CARO has sufficient personnel and resources to carry out its functions and public service role.Upskill CARO's personnel and enhance its advertisement monitoring and analysis procedures with the latest technologies:<ul style="list-style-type: none">Train personnel in monitoring and investigating new forms of advertising used on social media and video sharing platforms. Consumers on these platforms, especially younger consumers, tend to have less awareness of being advertised to when using these platforms, i.e. it is more difficult to distinguish advertisements from organic content. As such, it is important for CARO to put in place the necessary safety precautions not only in regulation, but also by fielding a workforce adequately skilled in detecting non-compliance in digital advertisements.Use machine learning to improve regulation and response time – as the volume of online advertising grows, CARO must improve its ability to monitor and analyse large amounts of advertisements. Machine learning and real world applications of artificial intelligence, employed in other similar organisations around the world, can help CARO take on more complex and comprehensive detection and monitoring of non-compliant advertisements.					
Expected impact	1	Ease of implementation	4		
				Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Set up a level-playing field for all businesses in Cyprus	Owner	Ministry of Finance	Start	07/2023
Initiative ID: 29	Utilise some of the OECD’s resources in competition assessment and data provision			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently, Cyprus is not a member of the OECD. Recognising the political constraints to this, there are a number of merits to instead ensuring Cyprus utilises some of the OECD’s resources in competition assessment and data provisionResearch houses, investment banks, economic consultancies, brokers, debt rating agencies and supra-national institutions tend to use the OECD as a data source as it has a broader coverage of comparable statistics than Eurostat.As Cyprus is a small economy, most analysts tend to ignore spending time merging data across different providers. If Cyprus is included in the countries for which statistical data is tracked, this would help external bodies to carry out faster and more reliable research. It would also encourage them to include Cyprus in their analyses. And finally, it would also help local policymakers to get a better understanding of Cyprus's relative performance to a wider set of rich economies and not just the EU.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMinistry of Foreign AffairsStatistical Service of Cyprus		N/A	
Key activities					
<ul style="list-style-type: none">Request technical support from the OECD to carry out an independent policy assessment to identify rules and regulations that hinder the competitive and effective functioning of markets in the key sectors of the Cyprus economy, wholesale and retail trade and e-commerce. The methodology followed should be consistent with the Competition Assessment Toolkit developed by the OECD.Set up a working group to investigate actions required for Cyprus to participate in the OECD’s body of statistical evidence.					
Expected impact	1	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Improve transparency by publicly documenting government decisions and with better and regular data provision	Owner	Directorate General for European Programmes, Coordination and Development	Start	01/2024
Initiative ID: 30	Publicise all decisions made by the Council of Ministers, regulators, independent officials, official enquiries and public consultations on a user-friendly government website (bar those with national security concerns)			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Easy and prompt access to records and data is imperative in a society that is aiming to be transparent. Records and data will encourage future investigations either by academics, experts, journalists. It also helps level the playing field for businesses who are willing to carry out more detailed analysis about the market in which they are in.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyPress and Information Office (PIO)			
Key activities					
<ul style="list-style-type: none">Publicise all decisions made by the Council of Ministers, regulators, independent officials, official enquiries and public consultations (bar those with national security concerns). This includes the state archives as well, as it will aid transparency.Upload the above on a government website on a timely basis, in a user-friendly format accessible to the citizens of Cyprus as well as in the English language so that they are accessible to international business.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	Consider whether funds from the European Structural and Cohesion Funds (ESIF) can be utilised
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Improve transparency by publicly documenting government decisions and with better and regular data provision	Owner	Statistical Service of Cyprus	Start	01/2022
Initiative ID: 31	Establish a national data working group, with the objective of improving the up to date availability and completeness of data across industries and the community			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There is significant lack of frequently updated data across most sectors in Cyprus and the community. Availability of updated and complete data is the necessary evidence base on which to design and refine policy.Accordingly efforts should be made towards improving the availability and quality of data. The long-term success of this effort cannot be performed in isolation. Implementation of this effort must be coordinated with the digitalisation of systems of record in the public sector as well as necessary inputs from the private sector e.g. POS mandate for business to make available transaction activity and minimise the shadow economy.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyLine Ministries, Deputy Ministries and Independent Services holding nationwide data.			
Key activities					
<ul style="list-style-type: none">Establish a national data working group, with the objective of improving the up to date availability and completeness of data across industries and the community. The national data working group should do the following:<ul style="list-style-type: none">Perform an assessment of the gaps in key data sets, such as household surveys.Develop an action plan improving data and its provision across communities, sectors and activities.Perform regular business surveys to track sentiment and understand the business climate, for example learning from the UK who has conducted weekly business surveys since the COVID-19 pandemic began. Also regular household surveys. Cystat needs to delve into more specialised and niche statistics, besides just national accounts.The Statistical Service of Cyprus should also engage with EU statistics authorities to get advice and expertise on cutting-edge data techniques, including real time data and nowcasting techniques, for example, to provide more timely analysis and estimate of indicators like GDP and employment. This is of critical importance in times of economic crisis, like the COVID-19 pandemic, where real time data of the current climate is of critical importance.					
Expected impact	3	Ease of implementation		3	

Budget	TBD
Funding source	National Funds
Case studies	N/A
Dependencies	44

Initiative Area	Support businesses to achieve scale and promote export growth in key markets	Owner	Ministry of Energy, Commerce and Industry (MECI)	Start	01/2023	<div>Indicative links to other national plans / strategies / studies</div> <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.3, Investment 5, page 309New Industrial Policy of Cyprus 2019-2030, Pillar 6, pages 53, 71, 79Study on “Enhancing the export competitiveness of Cyprus’ four key export products”, commissioned by MECI (currently in the process of being finalised)Strategy on Economic Diplomacy 2021-2023 - Annex 2, Page 15
Initiative ID: 32	Bolster the remit and capabilities of the Trade Service as an export promotion agency			End	06/2024	
Context		Indicative contributing stakeholders				
<ul style="list-style-type: none">The Trade Service of the Ministry of Energy, Commerce and Industry aims to promote the exports of products and services of Cyprus abroad and, in general, to coordinate the external commercial policy of Cyprus. Its activities include:<ul style="list-style-type: none">Promoting the exports of agricultural products,Promoting the exports of industrial products,Promoting Cyprus as an international business centre and a provider of high-value professional services,Representing Cyprus when dealing with the implementation of the Common Commercial Policy of the EU and the development of international trade Relations,Issuing import and export licences.The Trade Service also has 13 Trade Centres located around the world. Its objective is to assist Cypriot enterprises with establishing new and developing business links in key countries, developing trade, promoting Cyprus as an international business centre, and organising events with trade delegations and exhibitions.		<ul style="list-style-type: none">Cyprus Trade CentresMinistry of Foreign AffairsCyprus Chamber Of Commerce and Industry (KEBE)Cyprus Employers and Industrialists Federation (OEB)				
Key activities						
<ul style="list-style-type: none">Expand its mandate: as opposed to singling out agricultural products and industrial products, it should aim to help promote all companies from any sector with their export ambitions.Establish more Trade Centres: run a consultation with businesses in key sectors to understand other priority countries, for example in growing markets in Asia and Africa such as India. Selection should also be aligned with the Economic Diplomacy strategy and with Cyprus's embassy network.Develop its capabilities and support as an agency within Cyprus. The current website of the Trade Service could be improved with:<ul style="list-style-type: none">Workshops, advice and training: Currently, the Trade Service website does not have any information on such events. It should provide expert advice on how to build scale, expand market reach and develop robust business strategies. It should engage large exporters in Cyprus to share knowledge.Exhibitions and trade fairs: Currently, the Trade Service website does not have any information on such events. It should aim to run or advertise other national/international trade fairs to facilitate trade promotion in other countries – primarily through the network of Cyprus Trade Centres, to connect Cypriot business with global customers.Market research: Currently, no such service is offered. It should pay for market research from boutique consultancies who regularly analyse data, run surveys and assess markets.Develop an online portal: Over the medium-term, it should look to develop an online portal listing Cypriot exporters for foreign companies to search and make contact with – using the Singapore portal as a model.Staff the Trade Service with experts who have a) industry experience, and b) a full understanding of Vision 2035 and Cyprus’s new growth plan, to focus attention in those areas.						
Expected impact	3	Ease of implementation	4	Budget		
				TBD		
				Funding source		
				Some funds may be available through the Recovery and Resilience Fund (RRF)		
				Case studies		
				<ul style="list-style-type: none">Ireland: Enterprise Ireland (Appendix 4.2, page 74)		
				Dependencies		
				N/A		

Initiative Area	Focus on the society first, providing the necessary information transparently so that consumers can understand the full suite of financial options available to them and can plan better	Owner	Central Bank of Cyprus	Start	01/2022
Initiative ID: 33	Develop and implement an action plan for Cyprus banks to play an active role in improving the financial literacy within the Cypriot population, in coordination with the National Financial Literacy Strategy			End	12/2022
Context				Indicative contributing stakeholders	
<ul style="list-style-type: none">To alleviate the imbalances and private indebtedness that are still present in the financial system, Cyprus should start with the basics – begin with improving the financial literacy of the society.Financial literacy in Cyprus is low compared to other countries – S&P’s Global Financial Literacy Survey reports that just 35% of adults in Cyprus are financially literate, compared to 52% across the EU and >65% in Denmark (Standard & Poor, Financial Literacy Around the World, 2015).Indeed, Cyprus has a long history of systemic financial challenges that can to some degree be related to poor, uninformed decision making by borrowers.Financial literacy is not limited only to a sound knowledge of the banking system and the inner-workings of financial products. Nor is it only the responsibility of educators for their students or the banks for the customers – it must be a combined effort where everyone plays their part. Financial literacy is having the proper education and information that develops the awareness and behaviors to make rational, informed and sustainable decisions. Improvement in this area will have a positive impact on day-to-day behavioral choices and ultimately long-term happiness and wellbeing of the people of Cyprus.At the end of 2020, an Ad Hoc Committee was established to formulate a national strategy that puts forth a plan by the end of 2021, building on University of Cyprus proposals. At the time of writing this report, the intended scope and planned outputs of this strategy were not yet defined.Actions resulting from the strategy must be aligned to OECD guidance, addressing all 3 elements of financial literacy: Knowledge, Behaviour, Attitude. Placing emphasis on designing interventions and initiatives that go beyond traditional ‘training’ or curriculum updates will be critical to making the necessary impact on the community – particularly in the area of Behaviour (e.g. long-term saving and planning).While the financial system regulators are members of the committee, we propose the need for an active role by the banks who have day-to-day interactions with the community as customers. The provision of hands-on, practical upskilling opportunities are a must to change behaviours and work to alleviate the issues that have contributed to prior systemic issues.We also emphasise the need to tailor delivery of the actions to the target segments – preliminary input reports show these include youth, females, low-income and low-educated segments. For example, by using digital or gamification methods in the delivery of the interventions to the youth segment may result in greater impact. The Deputy Ministry of Digital Policy could be involved in the long-term implementation for certain components that transcend curriculums and can be made available as digital public services.The Association of Cyprus Banks can enhance its current level of engagement of the community by playing an active, hands-on role in upskilling the public (beyond bank customers) and by aiming to make an immediate impact, prior to the formal strategy being completed. Mobilising resources from its members, it can be in a coordinator role to positively influence the financial decisions and actions of society. Efforts can be integrated with those of the broader stakeholders of the National Financial Literacy Strategy when defined and available.				<ul style="list-style-type: none">Ministry of FinanceAssociation of Cyprus banksMinistry of Education, Culture, Sport and YouthCyprus Securities and Exchange CommissionUniversity of CyprusCyprus University of TechnologyDeputy Ministry of Research Innovation and Digital Policy	
Key activities				Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In line and coordination with the actions and outputs of the Ad Hoc Committee and the National Financial Literacy Strategy, develop and implement an action plan for Cyprus banks to play an active role in improving the financial literacy within the Cypriot population. Proposed indicative objectives include:<ul style="list-style-type: none">Create a mechanism to mobilise member banks of the Association of Cyprus Banks to roll out accessible and varying levels of financial education to the community, above and beyond their direct engagement with their customers.Provision of lifelong learning opportunities for all citizens that will contribute to the long-term resilience of the financial system and that builds trust in the community for the role of the bank and the overall financial system.Raise awareness of the availability, value, and practical benefits of improving financial literacy – targeting all segments of the population and emphasising practical information relevant to life choices.Build upon existing educational efforts that the Association and banks perform such as publicly available seminars and events.Positively contribute to the CSR agenda and societal goals.The following activities will help with achieving the above:<ul style="list-style-type: none">Leverage available material from member banks to design a robust curriculum, ranging from basics to more intermediate levels.Assemble a team of volunteers to deliver the training and information sessions, composed of employees from the Association’s member banks across all regions of the country.Define a plan with member banks, universities, and local municipalities to raise awareness and offer the courses free of charge to all segments of the population (age, geography, etc.). Delivery should include in-person formats utilising bank branches or servicing centres after working hours, as well as digital formats for ad hoc and remote use, maximising reach and impact.				<ul style="list-style-type: none">National Financial Literacy Strategy (yet to be developed)Cyprus Recovery and Resilience Plan (RRP) - Component 3.5, Reform 7, page 385	
Expected impact				Budget	
3				TBD	
Ease of implementation				Funding source	
3				No funds are available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Establish the right institutional mechanisms, for an effective, efficient and diverse financial system to flourish	Owner	Ministry of Finance	Start	01/2023
Initiative ID: 34	Encourage Cypriot corporates to be admitted to the Cyprus Stock Exchange (CSE) using tax incentives			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Cyprus stock exchange is unsophisticated, having fewer than 10 non-financial companies listed, rendering this key alternative source of financing as non-viable.Diversifying Cyprus's sources of finance is key to building resilience. Doing so would make Cyprus less vulnerable to financial shocks, and would typically reflect a more mature financial system, such as a well-developed stock market.Encouraging Cypriot corporates to admit on the CSE means that they would be subject to tighter corporate governance rules which would be welcome. This would be for the benefit of wider Cypriot society. At the same time, it would increase transparency within the business community in Cyprus, potentially helping drive a wave of mergers and acquisitions as the financial information of these entities would be available on a comparable, timely and transparent basis.		<ul style="list-style-type: none">Cyprus Stock Exchange (CSE)Cyprus Securities and Exchange Commission (CySEC)		N/A	
Key activities					
<ul style="list-style-type: none">Expedite the privatisation of the CSE. This is expected to address some of the current inefficiencies of the local stock exchange.Consider bringing in ISA type instruments which would incentivise individuals to put money in a range of different investments including shares (please refer to ID35). This will boost investment appetite and increase the liquidity of the local stock exchange. As a result, more companies would be incentivised to be admitted to the CSE.Consider tax incentives for a limited period of time to encourage smaller Cypriot corporates to admit to the Cyprus Stock Exchange (CSE). For example, one approach would be to apply a discount on corporate taxes for a limited period of time.The Cyprus Securities and Exchange Commission (CySEC) should anticipate events and ensure they have the appropriately trained people and processes in place to ensure the regulation of the CSE.The CySEC should take the lead educating the business community and the wider public with regards to the risks and responsibilities of Directors and entities that are admitted to the CSE.					
Expected impact	4	Ease of implementation	1	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Establish the right institutional mechanisms, for an effective, efficient and diverse financial system to flourish	Owner	Ministry of Finance	Start	01/2024	Indicative links to other national plans / strategies / studies	
Initiative ID: 35	Encourage households to save and invest into safe and regulated savings products			End	12/2026		
Context		Indicative contributing stakeholders					N/A
<ul style="list-style-type: none">Diversifying Cyprus's sources of finance is key to building resilience. Doing so would make Cyprus less vulnerable to financial shocks, and would typically reflect a more mature financial system, such as a well-developed stock market.Bringing in UK style tax incentives to encourage all households in Cyprus to increase their short-term savings, along with a professional regulatory environment and consumers' education, would mean that Cyprus can manage to gradually grow a local asset management industry, thus diversifying source of finance for businesses and providing more choice to consumers.		<ul style="list-style-type: none">Financial literacy committeeCentral Bank of CyprusAssociation of Cyprus Banks					
Key activities							
<ul style="list-style-type: none">Consider bringing in UK style tax incentives to encourage all households in Cyprus to increase their short-term savings. This would look like as follows:<ul style="list-style-type: none">Each person in Cyprus would have a fixed ISA contribution amount e.g. €5,000. The individual would have the option to use this allowance either using a Cash ISA or a Stocks and Shares ISA, or both (provided that the combined money do not exist the annual allowance). The allowance is valid for one year and is non-transferrable to other years.<ul style="list-style-type: none">Cash ISA: These are saving accounts where any deposits made would be tax-free (i.e. exempt of interest tax or Defence Fund contributions or any other taxes).Stock and Shares ISA: This would be a tax-efficient investment account which would allow the individual to put money in a range of different investments. These would include individual shares, investment funds and investment trusts (i.e. relatively safe, highly regulated financial instruments). Individuals using this scheme would be exempt from any future capital gains tax or dividend income tax on any earnings on the assets.Implement an extensive and informative educational campaign in Cyprus so that individuals understand the risks that this entails. These schemes have worked successfully in the UK. However, we highly recommend that these type of schemes are not put into effect unless such a campaign is undertaken.Consider encouraging businesses to offer provident fund schemes to their employees. It is noted that the introduction of multi-employer provident fund schemes make it easier for companies to offer professionally managed provident funds.Prepare for the Pan-European Personal Pension Product (PEPP) that will be introduced so that it is available for Cypriots (e.g. legal and promotional considerations required for adoption). The pan-European personal pension product (PEPP) is a voluntary personal pension scheme that will offer consumers a new pan-European option to save for retirement. This new type of product will be designed to give savers more choice and provide them with more competitive products. It could be offered by a broad range of financial providers such as insurance companies, asset managers, banks, certain investment firms and certain occupational pension funds. It is noted that the PEPP is not an alternative to state and occupational pensions.							
Expected impact	4	Ease of implementation	1	Budget			TBD
				Funding source			TBD
				Case studies			N/A
				Dependencies			33

Initiative Area	Establish the right institutional mechanisms, for an effective, efficient and diverse financial system to flourish	Owner	Ministry of Labour, Welfare and Social Insurance (MLWSI)	Start	01/2022
Initiative ID: 36	Ensure the General Social Insurance Scheme is run using best practice			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The General Social Insurance Scheme (“GSIS”) of Cyprus covers all employed or self-employed persons exercising gainful activity in Cyprus and provides for benefits for maternity, sickness, unemployment, widowhood, invalidity, orphan hood, old age, death and employment injury. The Department of Social Insurance Services (“SIS”) of the Ministry of Labour, Welfare and Social Insurance (“MLWSI”) is responsible for administering the GSIS by collecting contributions and paying benefits.Main challenges faced by the SIS include the following:<ul style="list-style-type: none">The GSIS should adequately cover every person exercising gainful activity in Cyprus, yet self-employed persons and persons working under new forms of employment, such as zero-hour contract workers and digital platform workers, do not enjoy the same social protection as persons working under regular employment contracts.The Social Insurance legislation went through a process of consolidation in 2010 and while amendments were adopted since 2010 the legislation has become quite complex and difficult to be understood by employees and employers (citizens).The general government expenditure on Social Protection is below EU average (12.4% of GDP compared to 19.3%).The SIS experiences substantial delays in processing applications and updating insurance records, responds inadequately to citizens’ requests for information and has high administrative cost. This is a result of multiple factors such as sub-standard social insurance computerised system, duplication of effort, lack of specialised skills amongst existing personnel, inadequate supervision and control mechanisms leading to significant error and fraud risk.		<ul style="list-style-type: none">House of Representatives			
Key activities					
<ul style="list-style-type: none">Ensure the General Social Insurance Scheme is run using best practice, by:<ul style="list-style-type: none">Simplifying the Social Insurance Scheme legislation and promoting flexible forms of employment by establishing new legislation for telework.Enhancing social protection for all regardless of the type and duration of employment by extending and improving cover of various benefits.Adhering to rules of expert advice. For example, those who retire earlier date than the statute prescribes should not be eligible for the same amount of pension compared to those who retire at the statutory date and so contribute more on a proportional basis.Undertaking frequent actuarial studies which project the viability of the GSIS based on demographic trends as well as life expectancy.Reengineering business processes, in order to improve operational efficiency and effectiveness of the Social Security Services. The services should be enriched with the necessary skills and risk analysis and quality control mechanisms should be introduced in order to minimise fraud and error and delivery of fast and accurate service to citizens.Utilising data analytics in decision making that will enable policy makers to make informed decisions about the effectiveness of the social security policies and benefits schemes.Upgrading the existing IT systems to an integrated information system to securely approach any reforms without disrupting critical business.Seek technical assistance from the International Labour Organisation (ILO), an organisation with vast experience and resources on the subject that will provide guidance on best practices from other countries.					
Expected impact	5	Ease of implementation	1	Budget	
				TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF) and Technical Support Instrument (TSI). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Establish the right institutional mechanisms, for an effective, efficient and diverse financial system to flourish	Owner	Ministry of Finance	Start	01/2022
Initiative ID: 37	Establish an Equity Fund			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Start-ups and innovative companies face many difficulties in accessing financial instruments due to the high-risk nature of their activities and the lack of tangible assets that can be used as collaterals to secure banking loans.Access to finance issues is well documented in the Cyprus economy and identified by both the Cyprus state and the European Union, who published relevant CSRs both in 2019 and 2020. Indicatively, the following financing gaps have been identified in the 2017 EIB report.Cyprus authorities are in the process of establishing an Equity Fund consistent with what has been observed in Israel, Greece and other countries. This is a sensible move. However, we highlight that these type of entities should follow best practice governance including non-political appointees who have proven experience in the field.		<ul style="list-style-type: none">European Investment Fund (EIF)Cyprus Securities and Exchange Commission (CySEC)Cyprus Investment Funds Association (CIFA)Involve as needed Incubators, Accelerators and Fund managers			
Key activities					
<ul style="list-style-type: none">Establish an Equity Fund to increase the availability of alternative financing sources, particularly for innovative companies and start-ups, to enhance the competitiveness of small-medium enterprises in Cyprus and contribute to the enhancement/maturity of the ecosystem for equity and venture capital investments.<ul style="list-style-type: none">Secure funds from public and private sources.Selection and appointment of the external fund manager.Register the Alternative Investment Fund with CySEC.Commence investments as per the investment plan.					
Expected impact		Ease of implementation		Budget	
4		3		Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Equip the banking, insurance and finance sectors with the tools and expertise to improve financial health and stability	Owner	Ministry of Finance	Start	01/2023
Initiative ID: 38	Set up an Insurance and Occupational Pensions Regulator			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The events of 2013 showed that the Cypriot occupational pensions scheme sector requires better regulation. Cyprus has more than one thousand occupational pensions schemes in the private sector. These need effective and smart regulation to reduce any potential levels of risk. These occupational funds could, at an extreme, have an impact on the non-financial corporate sector as well as the sovereign. Currently, they are regulated by a department of the Ministry of Labour and Social Insurance. This is not consistent with best practice.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsurancePublic Administration and Personnel DepartmentInsurance companies and pension funds		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) – Component 3.5, Reform 8, page 386Strategic Framework for Fiscal Policy 2020-2022 (Chapter 3, page 34)	
Key activities					
<ul style="list-style-type: none">Establish an independent regulator tasked with supervising the occupational pensions schemes and insurance schemes in Cyprus. The entity should be adequately staffed and follow European best practice with respect to regulation. This includes the following issues related to occupational pension schemes (non exhaustive):<ul style="list-style-type: none">Assessment on the credentials, qualifications and background of the Investment and Risk Committees of Occupational Pensions Schemes (fit and proper tests);Internal controls;Reporting breaches of the law;Trustee Knowledge and Understanding.Doing so would likely make Cypriot workers more confident in Occupational Pension schemes, and so encourage higher savings. We expect this would gradually lead to an increase in demand for asset management services in Cyprus.Follow a similar approach to establish an independent regulator for the insurance industry. The insurance industry is regulated by the Insurance Companies Control Service in the Ministry of Finance. In the UK, the insurance industry is regulated by the Prudential Regulation Authority (PRA) which is part of the Bank of England. This makes sense as the insurance industry has implications for the financial stability of a country.					
Expected impact	5	Ease of implementation	3	Budget	TBD
				Funding source	TBD. Consider whether funds from the Technical Support Instrument (TSI) can be utilised.
				Case studies	<ul style="list-style-type: none">UK: The Green Book (Appendix 4.2)UN’s SEEA (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Equip the banking, insurance and finance sectors with the tools and expertise to improve financial health and stability	Owner	Central Bank of Cyprus	Start	01/2023	Indicative links to other national plans / strategies / studies
Initiative ID: 39	Establish a robust credit worthiness service for the benefit of all			End	12/2024	
Context		Indicative contributing stakeholders		Budget		
<ul style="list-style-type: none">A credit bureau service is a robust credit reporting service that must encompass a vast flow and store of information. This includes various types of financial products as well as all segments of the population and borrowers alike.Artemis Bank Information Systems is considered to be Cyprus's credit bureau. But it does not provide modern, data-driven credit worthiness services to all borrowers (i.e. performing and non-performing) to arm themselves and credit institutions alike with improved information and integrity in lending decisions.While there are existing plans to enhance the data integration capabilities of Artemis, we propose that its role and offerings be drastically expanded and enhanced to serve the critical informational role in the broader economy. The national authorities currently envisage the following enhancements for Artemis:<ul style="list-style-type: none">Central Bank of Cyprus (CBC) will be the owner of the systemA revamped the legal framework used by CBC and other credit institutions for data exchange (credit registry)Improved procedures for data collectionProvision of data from the Insolvency DepartmentImproved data management		<ul style="list-style-type: none">Ministry of FinanceAssociation of Cyprus BanksCommissioner for the Protection of Personal DataNational Commission for the Protection of Competition		TBD		
Key activities				Funding source		
<ul style="list-style-type: none">Expand and enhance the role and offerings of Artemis to serve the critical informational role in the broader economy. Respecting all GDPR and privacy regulations, the key functions of the service should include:<ul style="list-style-type: none">All credit products. In most markets, credit bureau scope captures performance on all consumer products including mortgage, auto loans, credit cards, etc. Artemis should be expanded to meet these standards and provide necessary data to evaluate all lending decisions.Service to the entire population. In countries like the US, credit bureau services are available and performed on all segments of the population and for decision-making beyond credit eligibility (e.g. rent agreements). Artemis should be enhanced to be a mechanism for all to benefit from, increasing integrity in the broader business arena.Free annual reporting. Artemis needs the data analytics capabilities to provide real-time credit reports. Beyond this on-demand for purchase service, to increase its role in the market, it should offer free annual reports once a year by request. Reports must be user-friendly and clear for all consumers to understand the criteria and behaviours impacting their credit worthiness. Doing so would likely raise the awareness, and ultimately financial literacy, of the broader public.Integration into lending policy and bank procedures. Local banks should be advised to update their underwriting procedures to integrate the consumer credit scoring from this robust service (beyond their own criteria) into the credit eligibility process in the same way that income verification is evaluated.				TBD		
Expected impact		Ease of implementation		Case studies		
4		2		N/A		
				Dependencies		
				N/A		

Initiative Area	Align with best practice and strengthen enforcement to reduce the burden of non performing loans	Owner	Ministry of Energy, Commerce and Industry (MECI), Department of Insolvency	Start	09/2021
Initiative ID: 40	Continuously update Cyprus’s insolvency framework to stay consistent with best practice			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">At 17%, Cyprus has one of the highest levels of non-performing loan ratios in the Eurozone. At the same time, Cypriot non-financial corporates are one of the highest leveraged amongst the Eurozone. Household in Cyprus are also highly levered, though most of these debts are backed by assets.Given the size and scale of the challenge, it is imperative that Cyprus’s foreclosure laws remain up-to-date and consistent with best practice. This is all the more important given that there could be a rise in Covid-induced corporate and individual insolvencies in the near future.In practice, this means reducing the possibility of strategic defaults. If not, then the risk premium on new loans extended is elevated, raising the cost of finance for Cypriot businesses. At the same time, a poor foreclosure framework could have macro-wide implications for the wider Cypriot economy and productivity. This could include extending the useful economic life of so-called ‘zombie’ corporates.		<ul style="list-style-type: none">Licensing Authorities for IPs (Bar Association and Institute of Certified Public Accountants)Insolvency PractitionersCentral Bank and Association of Cyprus BanksJudicial AuthoritiesDeputy Ministry of Research, Innovation and Digital Policy		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.5, Reform 6, page 383	
Key activities					
<ul style="list-style-type: none">Aid the practice of minimising strategic defaults including:<ul style="list-style-type: none">Strengthen enforcement instruments by establishing an electronic system for digitising public asset registries. Doing this should enhance the search-ability of various public asset registries using machine learning techniques so that gradually capacity is developed to search for the name of close relatives (spouse or children) to determine whether debtors have transferred properties to avoid recovery proceduresMake the policymaking environment predictable. Future changes to the insolvency framework should be in agreement with the regulators. For example, changing the valuation threshold for primary residences should be strictly supported on economic data and explicitly be linked to a social objectives. They should also be associated with impact assessments to understand the net cost or benefit to wider society Arbitrary changes to the foreclosures laws, however, will inevitably cause uncertainty to bank investors and shareholders. It also goes against the strategic objectives of Cyprus’s Vision 2035Introduce a computerised case-management system for the courts and phase out reliance on paper based recording and communication.					
Expected impact	5	Ease of implementation	3	Budget	Funds secured through the Recovery and Resilience Fund (RRF)
				Funding source	Recovery and Resilience Fund (RRF)
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Align with best practice and strengthen enforcement to reduce the burden of non performing loans	Owner	Ministry of Finance	Start	01/2021
Initiative ID: 41	Continue progress in improving the health of the financial sector			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Despite strong progress, Cyprus's stock of non-performing loans (NPLs) has fallen from 50% in 2015, to 17% in 2019. However, this figure is still high – across key benchmark countries, the average is one in fifty.The remaining stock of non-performing loans still weighs somewhat on bank profitability and the overall stability of the banking sector. These loans also curtail the overall competitiveness of the economy by limiting the availability of finances to new businesses. NPLs also still significantly impede the competitiveness of Cyprus's banking sector and should be a continued focus for policymakers.Cyprus needs to continue to follow best practice in its insolvency framework. Doing so will allow banks to recoup some proportion of loans that have gone bad, subject to some social provisions, and minimise strategic defaults.It must do so by continuing to make progress on the European Commission’s Country-Specific Recommendations (2020 assessment).		<ul style="list-style-type: none">Cyprus Asset Management Company Ltd (KEDIPEs)Central Bank of CyprusLaw office of CyprusHouse of Representatives		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.5, Reform 2, page 373	
Key activities					
<ul style="list-style-type: none">Continue to make progress on the European Commission’s 2020 Country-Specific Recommendation, “CRS2: .Facilitate the reduction of non-performing loans including by setting up an effective governance structure for the State-owned asset management company, taking steps to improve payment discipline and strengthening the supervision of credit-acquiring companies. Strengthen supervision capacities in the non-bank financial sector, including by fully integrating the insurance and pension fund supervisors.”In summary, the 2020 assessment of progress was as follows:<ul style="list-style-type: none">Some progress on facilitating the reduction of non-performing loans through implementation of the ESTIA scheme and e-auctions. Slow progress, though, in setting up the state-owned asset management company, KEDIPEs.Limited progress on improving payment discipline.Limited progress on strengthening the supervision of credit acquiring companies, as the law is still under preparation.Limited progress on the supervision capacities in the non-bank financial sector as the law is pending adoption.					
Expected impact		Ease of implementation		Dependencies	
5		1		N/A	

Initiative Area	Diversify the sources of finances for consumers and businesses in Cyprus, consistent with that of other European economies	Owner	Ministry of Finance	Start	07/2024
Initiative ID: 42	Perform an ex-ante study for establishment of new financial instruments aligned to Vision 2035			End	12/2025
Context		Indicative contributing stakeholders		<div>Indicative links to other national plans / strategies / studies</div> <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.3, Reform 4, page 302Study on the “Implementation and management of new financial instruments for Cyprus”, 2018-2019, funded by DG Reform Technical SupportStudy on “Assessing the potential use of Financial Instruments in Cyprus”, 2017, funded by DG Reform Technical Support	
<ul style="list-style-type: none">Flowing the ex-ante assessment for the potential use of financial instruments in Cyprus in 2017, the national authorities established two financial instruments (FIs):<ul style="list-style-type: none">The loan instrument for energy efficiency and renewable energy sources through an agreement for favourable rates with the European Investment Bank (EIB)An equity fund, the first co-investment facility in Cyprus targeting start-ups and high-growth companies.Cyprus must build upon this momentum, and the new strategic direction provided in this national strategy.		<ul style="list-style-type: none">Directorate General of European Programmes, Coordination and Development (DG EPCD)			
Key activities					
<ul style="list-style-type: none">Perform a new ex-ante study to to bridge the gap from 2017, to take into account the current realities and areas exposed from the COVID-19 pandemic, and to maximise alignment to the defined Vision 2035 and the growth sectors identified therein. The study must provide analysis on current market failures and better utilising programmes such as Invest EU, Recovery and Resilience Fund (RRF), European Structural and Investment Funds (ESIF), etc.<ul style="list-style-type: none">Identify the areas of intervention and ensure consistency between the FIs and the relevant Operational ProgrammesPerform a market assessment including, among others, the analysis of the market failures, bus-optimal investment situations and investment needsAssessment of the potential use of FIs and finalisation of the investment strategyParallel to the study, consider the establishment of a National Promotional Agency so that future financial instruments (alternative funding mechanisms) are integrated and managed by the agency.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	Some funds may be available through the RRF. Consider others sources of funding such as TSI
				Case studies	<ul style="list-style-type: none">Financial Instruments co-funded by the European Structural Investment Funds (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Reduce the role of the informal economy and embrace digital payments	Owner	Ministry of Finance	Start	01/2023
Initiative ID: 43	Improve tax compliance among SMEs: Launch a tax education campaign targeted at small taxpayers			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">A large informal economy can impede growth, since it represents inefficiencies in the wider economy and institutional environment. Widespread informality distorts the labour market, creating less secure working conditions and fewer provisions for training. It also reduces government tax revenue, thereby constraining its ability to spend. Distorted economic indicators and national accounts can potentially result in flawed policy decisions.IMF research finds that the size of the informal economy in 37 European countries averages around 25% of official GDP; in Cyprus, estimates for 2016 are larger at 30% of GDP (IMF Working Papers, Explaining the Shadow Economy in Europe: Size, Causes and Policy Options, 2019).Further research by AT Kearney and Visa estimates the size of the informal economy in 60 markets across the world suggests that the size of Cyprus's informal sector is more in line with emerging markets in Asia and Latin America (AT Kearney and Visa Digital Payments and the Global Informal Economy, 2018).Over the past decade, the countries that have been the most successful in reducing the size of their informal economies have focused on reducing the use of cash and improving the acceptance and adoption of digital payments.		<ul style="list-style-type: none">Human Resource Development Authority (HRDA)Tax professionals and Tax service providers		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.5, Reform 9, page 389	
Key activities				Budget	TBD
<ul style="list-style-type: none">Launch a tax education campaign targeted at small taxpayers. SMEs may not have access to information on how to register or operate a firm formally. Education campaigns and support services at the local level are required to facilitate compliance for small taxpayers. In particular, the campaign should target SMEs in sectors where envelope wages (cash-in-hand payments) are common, such as in transport, catering, agriculture and construction. The campaign should include information on the annual taxation process – how and when to pay taxes –and information on how taxes are used by the government.Introduce simplified tax filing reminders. Research shows that tax compliance can be significantly improved through simplified tax filing reminders. The key is to shorten tax letters, reduce information overload and emphasise the information that is directly related to action-taking. Ideally, information in tax reminders should be limited to the deadline for tax payment, how the tax can be paid, and contact information for further enquiries.Consult behavioural economists to best design and word tax deterrence messages to further increase tax compliance. In tax reminders and other communications, penalties for non-compliance, e.g. fines and tax increases, and their methods of enforcement should be made explicit and again, explained using simplified language. The authorities should consult behavioural economists to best design and word letters to maximise compliance.				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider others sources of funding.
				Case studies	N/A
Expected impact		Ease of implementation		Dependencies	
3		4		N/A	

Initiative Area	Reduce the role of the informal economy and embrace digital payments	Owner	Ministry of Finance	Start	01/2022
Initiative ID: 44	Reduce cash use and increase uptake of digital payments by clearly communicating the benefits of digital payments to merchants and retailers			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Reform 1, page 421, Component 3.5, Reform 9, page 389Smart Specialisation Strategy for Cyprus 2016-2020, 9.9 Information and Communication Technologies, page 240	
<ul style="list-style-type: none">Cyprus remains heavily dependent on cash. According to research by the European Central Bank, Cyprus has one of the highest shares among EU states of the number of point-of-sale transactions conducted using cash (88%). In terms of value of transactions, Cyprus is the highest in the EU – at an average of €18.60 spent per cash transaction (European Central Bank, The use of cash by households in the euro area, 2017.).The prevalence and high valuation of cash transactions are indications of the sluggish transition to a digital payments economy in Cyprus. To accelerate this transition, the government should combine reforms to reduce cash use and increase the uptake of card and digital wallet payments.Since 2018, a €10,000 threshold for the cash purchase of vehicles, precious stones and metals, works of art and antiques has been in place in Cyprus. This high threshold is mainly in place for anti-money laundering and counter-financing terrorism purposes. A lower cash threshold for general transactions could be more effective for improving tax compliance.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyLaw Office of the Republic of CyprusHouse of Representatives.			
Key activities					
Reduce cash use <ul style="list-style-type: none">In tandem with the Central Bank of Cyprus, review the possibility of implementing a lower cash threshold for certain purchases over time, once the authorities have developed further and alternative mechanisms for anti-money laundering by implementing the Moneyval recommendations. For example, other EU countries such as Spain, Belgium and Italy have thresholds below €4,000 while Greece and France have thresholds of €1,000 or lower.					
Increase uptake of digital payments <ul style="list-style-type: none">Clearly communicate the benefits of digital payments to merchants and retailers:<ul style="list-style-type: none">Safety – Limits risks of holding cash on-siteEfficiency – Eliminates the need to constantly transport cash between place of business and bank branchesProtections against fraud – Limits the chances of being paid in counterfeit banknotes and reduces the time required to train cashiers in detecting counterfeitsKnow your customers – Collect digital record of purchase detailsOffer financial incentives:<ul style="list-style-type: none">Tax relief on payments conducted digitallyGrants for the initial purchase of a digital payments terminal, and financial support for the first year of digital transaction chargesInitiate regulatory support<ul style="list-style-type: none">Allow merchants to apply for licenses to refuse cashMonitor and enforce EU rules on interchange caps and surcharges for card payments					
Expected impact	2	Ease of implementation	5	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Additional case studies

With effective government machinery

Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny



Case study: Hungary

Money Speaks!

The average Hungarian household is confronted with a vast, complex and fast-changing range of financial products. When combined with the issue of the majority of Hungarian society lacking sufficient financial knowledge, this results in huge risk-taking when investing. In order to address this issue, and mitigate financial stability risks arising from the low level of financial literacy in Hungarian households, the Central Bank of Hungary has expanded its efforts on providing financial education. This includes developing knowledge, surveys, analysis and theoretical solutions on financial literacy-related topics as well as enhancing financial culture in Hungary.

In 2006, the Central Bank launched a project aiming to integrate the teaching of financial basics in school education. Teaching is done through conferences and a special information booklet covering topics such as:

- Payment services: why is it worth opening a bank account? What kinds of joint services are available with bank accounts?
- Banking cards: what are the different types of services associated with bank cards? How can bank cards be used safely?
- Savings: why are personal savings important?
- Loans: which are the most important types of credit?

This booklet is distributed to all graduating high school students in Hungary. It is designed to meet the informational needs of 18-year-olds considering whether to continue their studies or enter the workforce. Several government institutions collaborated to create the booklet, e.g. Hungarian Financial Services Authority, Ministry of Finance, Ministry of Education and Culture).

Within a year, the booklets were distributed, free of charge, to around 107,000 students in almost 1,200 schools. Additionally, it sparked interest of other national actors to engage in the financial literacy issue in Hungary. For example, one of the countrywide commercial TV channels started a cartoon series, in cooperation with a commercial bank, with similar topics as the information booklet to promote basic financial knowledge.

Other measures taken by the Central Bank to promote financial literacy include:

- Visitor centre opened in March 2004
- Monetary competition for high school students launched in 2005
- Seminars provided for teachers twice a year since 2004

Source: Evers Jung, Habschick, M., Seidl, B., and Dr. J. Evers. *Financial Literacy Schemes in the EU27*, 2007.



Case study: Denmark

Ease of doing business

In the World Bank's Ease of doing Business' report, Denmark maintains the position as number three in the world, only surpassed by New Zealand and Singapore, and its leading position in Europe,¹ The World Bank points to the efficiency in registering property, the low tax rate and the ease of resolving insolvency in Denmark as the main reasons for Denmark's prominent ranking in the report. There are a number of policies and government initiatives that contribute to its high performance, as follows:

- **Stakeholder collaboration in regulatory design:** Policymakers make significant effort to incorporate stakeholder views, including SMEs, into the regulatory process, ensuring regulation is aligned to business needs and the ease of doing business. This is done through a number of advisory bodies. The Business Forum and the Implementation Council are two of the most prominent of these advisory bodies. The Implementation Council was established in 2015 to oversee the implementation of EU legislation into Danish law, with specific attention given to minimising additional expense for Danish enterprises. In 2018, the Commission on Simplification of Danish Business Promotion was created to deal with the issue that SMEs were finding it increasingly complicated and costly to rely on government services that support business. The main task of the Commission is to suggest a revised structure that will bring more transparency, effectiveness and efficiency.²
- **Resolving insolvency:** In Denmark, it takes on average 1 year and 4% of a debtor's estate (compared to 9.3% for OECD high countries) to get 88.5 cents on the dollar recovered by secured creditors (compared to 70.2 for OECD high income countries). While foreclosure and liquidation are the proceedings most commonly used to resolve insolvency, Denmark amended its bankruptcy act in April 2011 to allow both debtors and creditors to file for reorganisation at the bankruptcy court in case of insolvency. This would allow business to continue operating by formally restructuring the company's debt.³ Denmark also has an early warning system in place to help companies in distress. It is run by regional Business Development Centres, a group of highly qualified volunteer advisors who provide free, impartial and confidential advice to SMEs experiencing difficulties. The aim of the advice is to assist or accelerate turnarounds.

Source:

¹ The Work Bank Group, *Economy Profile of Denmark: Doing Business 2020*, 2019.

² European Commission, *SBA Fact Sheet: Denmark*, 2018.

³ The Work Bank Group, *Resolving insolvency 2012*, 2011.

3.3.4

World's leading model nation

With effective government machinery

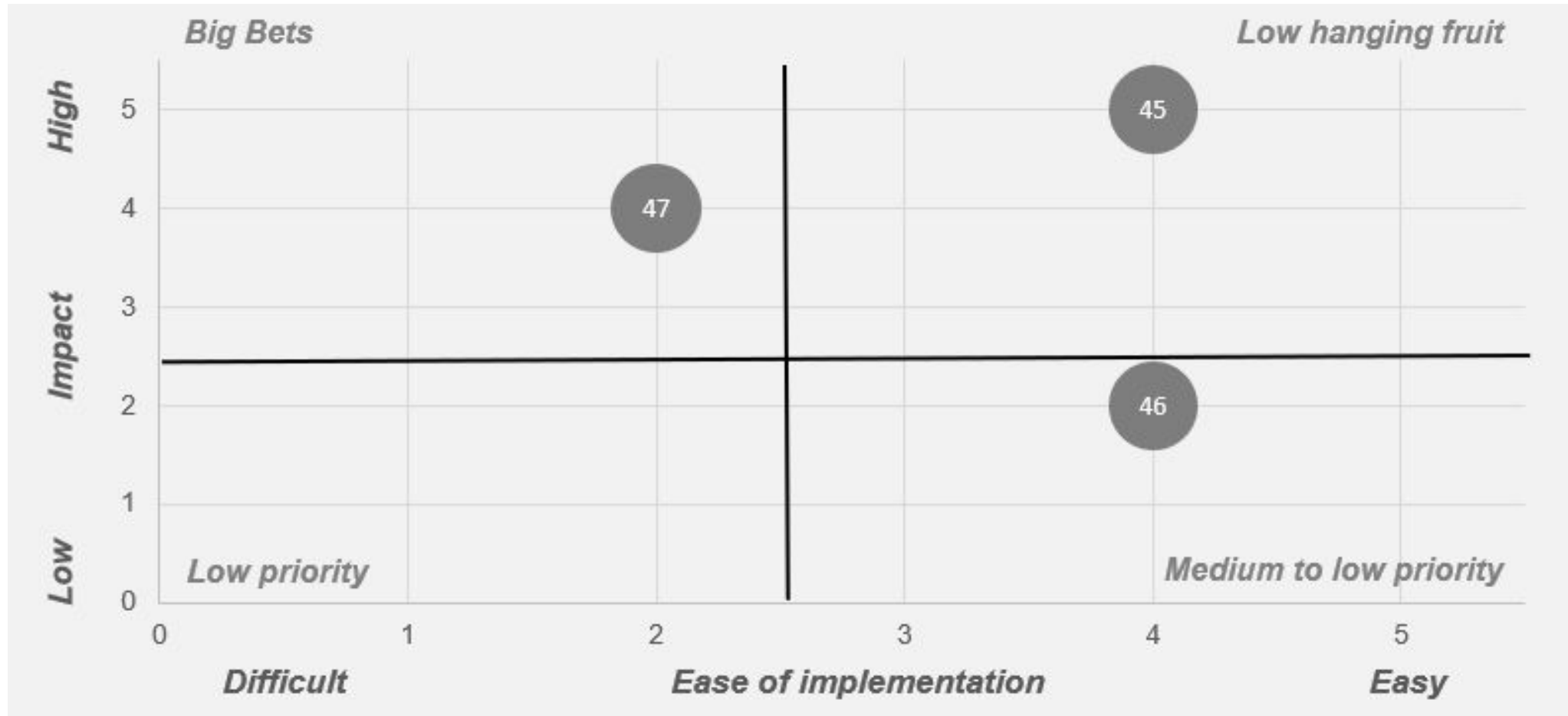
Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny

We have evaluated and mapped all initiatives under the “ownership to shape its future destiny” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “ownership to shape its future destiny” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Set up a governance structure to deliver Cyprus’s Vision 2035	OwnerMinistry of Finance	Start01/2022
Initiative ID: 45	Establish a Strategic planning and development Unit and a Strategic coordination and monitoring Unit to plan, coordinate, facilitate and monitor the implementation of Vision 2035 and any subsequent national strategic plans		End06/2022
Context		Indicative contributing stakeholders	Indicative links to other national plans / strategies / studies <div>N/A</div>
<ul style="list-style-type: none"> Cyprus should establish a “Strategic coordination and monitoring of implementation Unit” directly under the Minister of Finance to be responsible for effectively coordinating, facilitating and monitoring the implementation of the initiatives under Vision 2035. Additionally, Cyprus should establish a “Strategic planning and development Unit” under the Permanent Secretary of the Ministry of Finance to support the Government in the ongoing strategic planning, setting of strategic priorities and development of subsequent national strategic plans in the future. Both Units should be responsible for looking beyond political cycles. The Strategic planning and development Unit should be responsible for monitoring national and international economic and social landscape and trends, performing the necessary analysis and modeling and developing and updating national strategic plans for the Cyprus Vision on an ongoing basis. To ensure that the strategic planning and development process does not happen in a vacuum, the Strategic planning and development Unit should also be engaging and drawing the right expertise and feedback from the private sector, the academia, the Economy and Competitiveness Council, other economists and civil society where and when necessary. The Strategic coordination and monitoring of implementation unit should be responsible for coordinating, monitoring and reporting on the implementation of Vision 2035 and any subsequent national strategic plan following Vision 2035. The Strategic coordination and monitoring of implementation Unit should ultimately be accountable to the President and the Council of Ministers who will be making the key decisions with regards to the Vision 2035 and any other subsequent national strategic plans 		<ul style="list-style-type: none"> Directorate General for European Programmes, Coordination and Development (DG EPCD) Strategic coordination and monitoring of implementation Unit Strategic planning and development Unit Economy and Competitiveness Council President of Cyprus Council of Ministers All initiative owners 	
Key activities (continued on the next page)			Budget <div>TBD</div>
<ul style="list-style-type: none"> Establish a Strategic planning and development unit that should be responsible for: <ul style="list-style-type: none"> Monitoring and analysis of international and regional trends impacting Cyprus’ economy (PEST analysis, trends analysis etc), Assessing long-term opportunities and threats to the Cypriot economy (SWOT analysis, competitor analysis, analysis of existing and potential trading partners, etc), Developing national strategic plans in alignment with the policy statement of the government (including a high-level action plan with suggested reforms/initiatives), Informing the 3-year strategic plans of the Line Ministries, Deputy Ministries and independent services in alignment with the National Budget as monitored and controlled by the Directorate of Budget of the Ministry of Finance, Refreshing and updating the national strategic plans (including Cyprus’ Vision 2035) even after the commencement of their implementation by the Strategic coordination and monitoring of implementation Unit to ensure that they remain up-to-date with national and international trends. Liaising and coordinating regularly with the Strategic coordination and monitoring of implementation Unit for this purpose. Liaising and exchanging information with the Directorate for Strategic Growth and Competitiveness of the DF EPCD about the implications and challenges arising from national and international trends for Cyprus. 			Funding source <div>TBD</div>
Please see section 3.2 Governance for more information regarding the Strategic Units and the wider Governance structure that should underpin the devleopment and implementation of Vision 2035 and any subsequent national strategic plans.			Case studies <div> <ul style="list-style-type: none"> Finland: Government strategy department (Appendix 4.2) </div>
Expected impact	5	Ease of implementation	
	4		Dependencies <div>N/A</div>

Initiative Area	Set up a governance structure to deliver Cyprus’s Vision 2035	Owner	Ministry of Finance	Start	01/2022
Initiative ID: 45 <i>continued</i>	Establish a Strategic planning and development Unit and a Strategic coordination and monitoring Unit to plan, coordinate, facilitate and monitor the implementation of Vision 2035 and any subsequent national strategic plans			End	06/2022
Key activities (continued)					
<ul style="list-style-type: none">Establish a Strategic coordination and monitoring of implementation Unit that should be responsible for:<ul style="list-style-type: none">Identifying, in coordination with the Strategic planning and development Unit, the prospective owners who will be responsible to drive the implementation and project manage the initiatives of the strategic plan. Communicate and lead discussions with prospective initiative owners to agree and align on initiatives and expectations.Ensuring that all Line Ministries, Deputy Ministries, Independent Services and other contributing stakeholders are committed and assume responsibility in implementing the initiatives of the national strategic plan, which aligning on expected timeframes for implementation and expected outcomes.Monitoring the progress of the implementation of each initiative under the strategic plan / Vision 2035 against a set of KPIs.Monitoring Cyprus’ comparative progress against benchmark countries to ensure that targets are reflective of the current frontier that Cyprus is aiming for.Reporting on the implementation progress and status of the strategic plan / Vision 2035 to the President and Council of Ministers (as well as the European Commission where necessary), flagging any issues, risks and potential delays.Liaising with the Strategic planning and development Unit and informing it with regards to any implementation challenges and opportunities that arise that might need to be considered when updating the national strategic plan / Vision 2035.Set up the operating model of both Units in order to be able to fulfil their responsibilities successfully. Operating model considerations should include among others:<ul style="list-style-type: none">Organisational structure;Staff roles and responsibilities;Staff skills and competencies (see section 3.2 Governance for further details on this);Operational processes;Monitoring tools, systems and communication mechanisms (see section 3.2 Governance for further details on this). <p>Please see section 3.2 Governance for more information regarding the Strategic Unit and the wider Governance structure that should underpin the devleopment and implementation of Vision 2035 and any subsequent national strategic plans.</p>					
Expected impact	3	Ease of implementation	2	Indicative links to other national plans / strategies / studies	N/A
				Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Finland: Government strategy department (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Equip the government with independent expert advice to underpin strategic, long term planning	Owner	Council of Ministers	Start	01/2022
Initiative ID: 46	Elevate and reform the role of the Cyprus Fiscal Council			End	06/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently, the Fiscal Council is a compact entity with a relatively limited remit. To safeguard against fiscal events, and to provide a firm foundation for the spending and investment requirements of Vision 2035, its role should be further elevated and reformed to be an official independent fiscal watchdog similar to what is experienced in the UK which is deemed one of the best-in-class in the European space.Cyprus is likely to face fiscal challenges in the future including:<ul style="list-style-type: none">An ageing population which means government spending and revenues are likely to be affected due to higher spending on pensions and health and social care.Climate change which, according to the IMF’s recent study (Cevik, Jales, 2020) shows that a country’s vulnerability or to climate change has direct implications for its creditworthiness (as discussed in the executive summary).Potential change in tax revenues due to changes in international corporate tax laws.		<ul style="list-style-type: none">Cyprus Fiscal CouncilHouse of Representative Committee on Financial and Budgetary Affairs		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Elevate and reform the role of the Cyprus Fiscal Council to:<ul style="list-style-type: none">Produce forecasts for the Cyprus economy and ensure that they are updated regularly. This may be achieved through close collaboration and partnership with international and local institutions, such as the Central Bank of Cyprus and the Economic Research Centre of the University of Cyprus.Provide independent and authoritative analysis of public finances to assess long-term sustainability by carrying out debt sustainability analyses.Scrutinise the government’s spending costs on a more regular basis.Enhance the Cyprus Fiscal Council with additional staffing, budget and scientific expertise. Its staff should be specialised economists, able to produce forecasts and to assess public finances.				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A
Expected impact	2	Ease of implementation	4		

Initiative Area	Equip the government with independent expert advice to underpin strategic, long term planning	Owner	Council of Ministers	Start	07/2022
Initiative ID: 47	Establish a National Infrastructure Commission			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently capital spending is not based on long-term thinking and it is not linked to growth plans or to population and climate trends. Therefore a National Infrastructure Commission should be established to provide impartial, expert advice on the major long-term infrastructure challenges (physical, digital and other) that Cyprus faces.		<ul style="list-style-type: none">Directorate General for European Programmes, Coordination and Development (DG EPCD)Budget Directorate of the Ministry of FinanceDeputy Ministry of Research, Innovation and Digital PolicyMinistry of Works and TransportMinistry of Agriculture, Rural Development and EnvironmentMinistry of Energy, Commerce and IndustryMinistry of Interior		N/A	
Key activities					
<ul style="list-style-type: none">Establish a National Infrastructure Commission. The role of the Unit will be to provide impartial, expert advice on the major long-term infrastructure challenges (physical, digital and other) that Cyprus faces. An emphasis should be placed on green and digital infrastructure, consistent with Cyprus's Vision 2035 – helping Cyprus adapt to the effects of climate change, develop its international competitiveness, and meet the needs of its citizens.<ul style="list-style-type: none">Develop a clear mandate for the CommissionDevelop an organisational design (including reporting and escalation lines)Develop clear roles and responsibilities for each Commission memberStaff the Commission with experts who can analyse projects according to a robust impact assessment, which appraises options to provide the best value for tax payer money. International expertise should be sought, where appropriate.Establish practices and mechanisms to enable the Commission to perform its role and effectively measure and monitor the results achieved.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Additional case studies

With effective government machinery

Supported by an efficient legal system
which resolves disputes fast

Which is an open, transparent and fair
marketplace for everyone

Which takes ownership to shape
its future destiny



Case study: Japan

Future Design: Policy-making for future generations

Societies today are facing intergenerational problems – problems that will affect the economies of countries, and livelihoods and wellbeing of communities and individuals for decades to come. Two of the biggest intergenerational problems to date are the sustainability of government debt and the impact of climate change. In order to address these issues, political systems must turn away from short termism and instead seek to sustain long term policy continuity.

Future Design is a way for policy-makers to achieve this continuity. It is a concept for a new political system that takes the needs of future generations into account. The basic idea around Future Design is to give future generations a voice in the decisions being made today. This will be achieved by creating a future generation group within the government as a permanent organisation. This future generation group will 'role-play' as members of the coming generations and act as an advocate for the needs of citizens in the ultra-long-term.

Research conducted in Japan shows that those assigned the role of the future generation will think differently from those in the present generation. In the experiment, residents of the city of Yahaba were assigned randomly into one of two groups: the current generation group or future generation group.

The groups together had to discuss the issue of water supply, which had been operating in surplus in the years prior to the experiment. The current generation proposed that water prices should be lower due to the surplus, while the future generation was more concerned with the long term sustainability of the water supply. They considered that, in the future, water supply infrastructure would need to be maintained and eventually replaced – therefore the surplus should be saved for use in the future.

In the end, the two groups concluded that the price of water should actually be increased in order to secure funds for future investments. Based on the results of the experiment, the local government of Yahaba actually raised water supply fees in reality.

The creation of a 'Ministry of the Future' in the central government of Japan has been proposed, alongside a 'Division of the Future' in each government agency and local municipality.

Source; Tokyo Foundation for Policy Research, Future Design: A New Social Contract, 2019.



Case study: Singapore

Strategy Group and Centre for Strategic Futures

The Strategy Group in the Prime Minister's Office was set up in July 2015 to strengthen strategic alignment across Government. It expanded in August 2016 to include the National Population and Talent Division (NPTD) and National Climate Change Secretariat (NCCS).

The Strategy Group is responsible for creating the biennial Singapore Public Sector Outcomes Review (SPOR). SPOR takes stock of how Singapore has fared in key areas of national interest – both from the citizens' and business' perspective. These areas include sustainable living, ease of doing businesses, and growth and competitiveness, among others.

In addition to the NPTD and NCCS, the Strategy Group also includes the Centre for Strategic Futures (CSF). In 2009, CSF was established as a futures think tank to focus on issues that may be blind spot areas, pursue open-ended long-term futures research, and experiment with new foresight methodologies. On 1 July 2015, CSF became part of the new Strategy Group in the Prime Minister's Office, which was set up to focus on whole-of-government strategic planning and prioritisation, whole-of-government coordination and development and to incubate and catalyse new capabilities in the Singapore Public Service.

As part of its think tank-like functions, the key roles of the CSF are to:

- Promote a collective instinct for strategic thinking at the WOG level
- Develop and promote the use of tools and methodologies for strategic thinking and risk management throughout the government
- Be the focal point for cultivating networks between local government agencies and international partners to promote an active exchange of ideas
- Challenge conformist thinking
- Develop links with academia to support the development of interdisciplinary research work in areas like complexity studies and risk management

There is also a conscious effort to monitor issues that were not prioritised in the voting process, as these could be part of current organisational blind spots and prove critical in the future.

Sources:

Strategy Group Singapore

Singapore Public Sector Outcomes Review

3.3.5

Thriving and resilient economy

A powerhouse of innovation

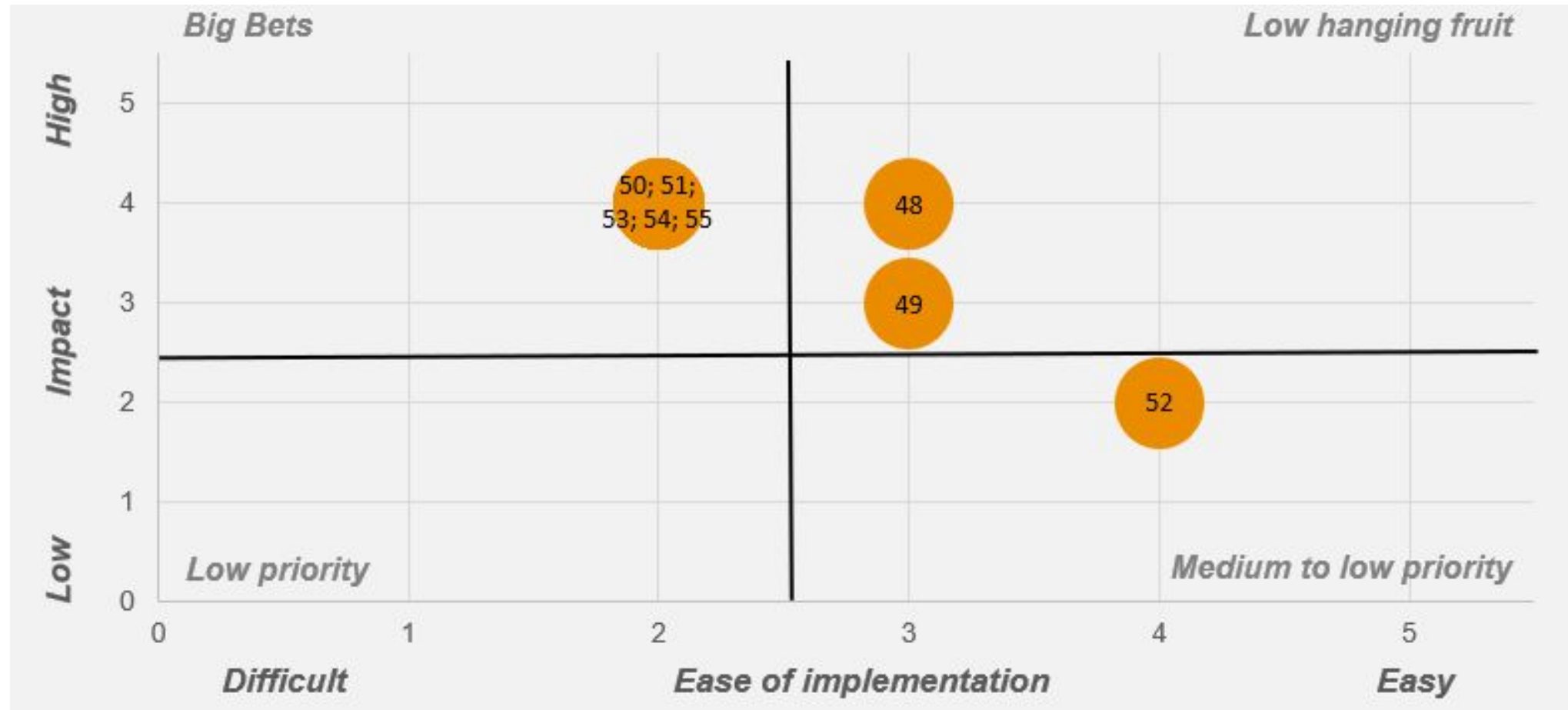
Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient

We have evaluated and mapped all initiatives under the “**powerhouse of innovation**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**powerhouse of innovation**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Boost innovation that leads to commercially viable patents, products and services	Owner	Deputy Ministry Research, Innovation, & Digital Policy	Start	01/2022
Initiative ID: 48	Develop a long-term national R&I strategy			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In May 2019, a new R&I strategy was introduced by the National Board for Research and Innovation. It covers 2019-23 and revolves around nine strategic pillars and enablers: Governance, National Strategy for Research and Innovation, Research Excellence, Knowledge Transfer and Commercial Exploitation, Innovative Entrepreneurship, Cultural Change, International Dimension, Communication and Digital Transformation.The ultimate aim of the strategy is to triple the national R&I intensity to 1.5% of GDP by 2023, with half of the expenditure incurred in the private sector.The 2019-23 strategy is a step in the right direction but to really create incentives for innovation, investment and risk-taking, policymakers must provide more long-term certainty about what the priorities are, where the government is investing, and where the opportunities are.		<ul style="list-style-type: none">Chief Scientist for Research and InnovationNational Board for Research and InnovationResearch and Innovation Foundation			
Key activities					
<ul style="list-style-type: none">Adjust and extend as needed the current strategy to factor in how the national and international landscape has changed post-COVID.Develop a long-term R&I strategy with a 10-year horizon that will identify long-term R&I intentions, opportunities for collaboration with the private sector, and what the funding opportunities might be for researchers and innovators.<ul style="list-style-type: none">Align the R&I strategy to Vision 2035, which in itself is very aligned to the priorities of the 2019-23 R&I strategy.Present in the long-term R&I strategy the following indicative elements:<ul style="list-style-type: none">➤ Strategic pillars.➤ Specific activities under each pillar.➤ Strategic enablers.➤ The government’s investment intentions to provide certainty and assurance to businesses, researchers, entrepreneurs and investors.➤ Action plan with time frames.					
Expected impact		4	Ease of implementation	3	Budget
					TBD
					Funding source
					No funds available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
					Case studies
					N/A
					Dependencies
					N/A

Initiative Area	Boost innovation that leads to commercially viable patents, products and services	Owner	Deputy Ministry Research, Innovation, & Digital Policy	Start	07/2022
Initiative ID: 49	Establish a ‘Regulation of the Future’ Taskforce			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">One of the key factors determining R&I intentions is regulatory certainty. Innovators, investors and entrepreneurs need to have assurance that new ideas, goods and services will be able to rolled out and commercially viable in a certain country – and a fundamental part of that is understanding the regulatory requirements.In the past, Cyprus had a vibrant blockchain innovation ecosystem, but this was hindered by slow progress in designing and passing the required regulation. This resulted in companies and innovators moving elsewhere to set up businesses.		<ul style="list-style-type: none">Chief Scientist for Research and InnovationNational Board for Research and Innovation		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP)<ul style="list-style-type: none">- Component 3.2, Reform 1, page 279Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
Key activities					
<ul style="list-style-type: none">Establish a taskforce to accelerate progress in designing and implementing regulation for new products and technology. For example, drones, driverless cars and lab grown meat.Ensure Cyprus remains at the forefront of global regulatory developments and rapidly pass legislation following other countries like Singapore.Ensure that the taskforce:<ul style="list-style-type: none">Comprises of few key regulatory, legal and technology experts, who have a detailed understanding of EU and international regulation.Conducts systematic and regular reviews of regulation in other countries – specifically leaders like the US, Israel and Singapore. Their role should be to translate this international best practice into regulation for CyprusConsults with international regulatory experts.					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Create the right foundations and vehicles to connect researchers, businesses, innovators and investors	Owner	Deputy Ministry Research, Innovation, & Digital Policy	Start	07/2022
Initiative ID: 50	Connect researchers, businesses, innovators and investors by creating the right foundations and vehicles			End	12/2023
Context		Indicative contributing stakeholders		<div>Indicative links to other national plans / strategies / studies</div> <div><ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2, Reform 3, Page 281 & Investment 1, page 282Cyprus Research & Innovation Strategy Framework 2019-2023 - Strategic Pillar 4: Knowledge Transfer & Commercial Exploitation, page 17</div>	
<ul style="list-style-type: none">In 2018, a law permitting the creation of spin-off companies from universities was passed. The resulting law, however, represents a compromise that places restrictions on:<ul style="list-style-type: none">Universities and their personnel on holding equity in spin-offs,Inventors and entrepreneurs working in an advisory or managerial capacity in the spin-off,Spin-offs having access to university buildings or equipment.Currently, the prevailing view is that public-funded academic institutions should not engage with business and 'make a profit'.		<ul style="list-style-type: none">Research and Innovation Foundation (RIF)			
Key activities					
<ul style="list-style-type: none">Re-evaluate the recent legislation and rules on university spin offs.<ul style="list-style-type: none">Cypriot policymakers should look to model legislation on best practice in other countries, such as the UK or the US.Set up and operate a central Knowledge Transfer Office (KTO). The KTO should:<ul style="list-style-type: none">Provide funding and specialized value-add knowledge transfer support services to facilitate commercialisation of research results. At this stage, given the limitations around public-funded academic institutions, it will not be possible for these to take part in such activities. However, it would be beneficial to consider whether public-funded universities should be allowed to commercialise their research results, as part of a wider consideration to make them more autonomous.Provide funding, for example grants promoting cooperation between industry and science and innovation vouchers (which can be used for specific purposes e.g. to cover the costs of consultancy services provided by external experts).Form cooperative relationships between universities and the private sector. This will boost the availability and use of ICT infrastructure as many companies in Cyprus do not have the necessary infrastructure to sustain an R&D department.Implement expert assessments of the quality of economic institutions and firms' capacity to access and absorb technology.Act as R&D Cooperation centres, as exchange programmes for people working in academia and industry, and as information dissemination services.Remove cultural barriers hindering the academia-business interaction.<ul style="list-style-type: none">Give emphasis to an awareness campaign highlighting the benefits of the research commercialisation and the collaboration between academia and research.The awareness campaign should consist of conferences, workshops, social media posts, TV shows, and European research institutions' visits by politicians, public servants, academics and entrepreneurs.Implement the recommendations by the Horizon 2020 Policy Support Facility through:<ul style="list-style-type: none">The professionalisation of the Universities and Research Institution Services offerings.The review of the public research and innovation programmes.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">UK: University spin offs in the UK (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Create the right mix of financial incentives and support to drive research and innovation	Owner	Deputy Ministry Research, Innovation and Digital Policy / Ministry of Finance	Start	01/2024
Initiative ID: 51	Offer financial incentives and support for firms to conduct R&I			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Financial incentives and support should be used as complementary policies to other initiatives aimed at creating the right innovation ecosystem in Cyprus.There are generally two types of policy – R&I tax incentives (which are usually available to all firms, although they can apply to targeted sectors or types of firms), and subsidies which offer specific support to targeted R&I projects.The effects of the two instruments are found to vary across industries and firms. For example, R&I subsidies have been found to increase TFP growth more in industries that are highly dependent on external finance and the ICT sector. While, R&I tax incentives have been found to have a larger effect in smaller firms which can't secure external finance – an important consideration for Cyprus. Both the IMF and OECD conclude that policymakers should consider balancing both tax incentives and direct support to foster innovation.A list of the advantages and disadvantages of tax incentives vs direct support to companies are presented in more detail in page 80 of the document “A long-term strategy for sustainable growth for Cyprus”.		<ul style="list-style-type: none">Chief Scientist for Research and InnovationResearch and Innovation Foundation (RIF)Ministry of Finance		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2, Reform 2, Page 280, Reform 3, Page 281.Cyprus Research & Innovation Strategy Framework 2019-2023 - Strategic Pillar 4, page 17, Strategic Pillar 5, page 19 and Strategic Enabler 7, page 21.Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
Key activities					
<ul style="list-style-type: none">Target young companies, not SMEs: Preferential treatment for SMEs may discourage companies from growing. Targeting young companies is considered better practice. Incentives can also be designed to incentivise mergers, with large companies encouraged to acquire start-ups.Offer carry-forward provisions, cash refunds or reductions in labour taxes: Start-ups often have negative profits and will not immediately benefit from tax incentives. Offering a carry-forward provision and cash refunds if there is a negative tax liability is an effective measure for young companies. Alternatively, relief from labour taxes like payroll taxes or social security contributions mean young firms will still benefit even if they don't report positive taxable income. The latter can also be better targeted on researcher's wages.Develop a one-stop, online application procedure and guidelines: Provide clear requirements to claimants, for example that they must keep R&I records in a pre-defined way.Develop online applications, which are key to minimising time on decisions – it should not take the authorities more than a year to make a decision on eligibility.Provide impartial and expert assessors: Being an expert in the field and preventing conflict of interest is paramount. Policymakers should consider outsourcing decisions to international consultants and/or experts with no links to Cyprus's economy and society to reduce risks of corruption.Conduct ex-ante and ex-post assessments: Evaluations of the effectiveness of initiatives must consider value for money and the distortion of competition between incumbents and new entrants. Firms must be required to collect high-quality data according to international standards. It is recommended the authorities run a consultation across sectors to understand how companies measure R&I and what data they collect. In addition, companies should receive targeted training on the best ways to measure their R&I impact.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Make more of the Innovative Company initiative to grow the country's ecosystem	Owner	Deputy Ministry Research, Innovation, & Digital Policy	Start	01/2022
Initiative ID: 52	Refine and augment the “Innovative Company” initiative			End	06/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP)<ul style="list-style-type: none">- Component 3.2, Reform 1, page 279Cyprus Research & Innovation Strategy Framework 2019-2023<ul style="list-style-type: none">- Strategic Enablers 6 and 8, pages 20 and 23	
<ul style="list-style-type: none">The government currently awards certificates to accredit companies that they consider innovative. Policymakers essentially conduct due diligence on behalf of potential investors and companies, signalling that they represent sound investment and business opportunities.However, some changes and additions should be made to:<ul style="list-style-type: none">Build credibility and confidence in the initiative.Align the initiative more closely to Vision 2035.Deliver more tangible benefits and create more opportunities for innovative companies and potential investors.		<ul style="list-style-type: none">Chief Scientist for Research and InnovationResearch and Innovation Foundation (RIF)			
Key activities					
<ul style="list-style-type: none">Refine and augment the Innovative Company initiative by:<ul style="list-style-type: none">Bolstering the current list of innovative companies with more data and information including their sector, their plans, website links, and key contactsCreating an online portal with company details, enabling investors and companies to browse this and search for opportunities for investment and mergers and acquisitionsCreating a logo to signify the company has been designated as innovative to allow companies to use it on their website and in their marketing as a signal to investors and customers.Creating an innovation ecosystem dashboard to map the current state of research and innovation in Cyprus, using the Innovative company list as a starting point but also including the wider research and innovation efforts underway in universities and the public sector. It should assess the current state against needs, as set out by Vision 2035 and identify the key gaps which should policymakers should address as a priority.Facilitating networking. Policymakers should organise events with innovative companies, academics and investors. This should aim to build up the startup and investor community within Cyprus, creating a space to share ideas and refine intentions. It should also facilitate the creation of new opportunities – for academics to refine their research based on business need, for companies to connect with investors, and for companies to identify merger and acquisition opportunities.Establishing a small team of experts who should be on-hand to provide advice and support to innovative companies. This advice should focus on:<ul style="list-style-type: none">➤ Guidance and technical support on how to collect data and measure R&I activities and impact➤ Information and support for receiving both government and EU grants and incentives➤ Information on the wider research and innovation ecosystemConsider collaborating with an accelerator for the establishment of this team of experts and provision of advice.Ensuring experts are on the panel: The authorities should seek counsel and support from international experts when designing criteria and making accreditation decisions. Specifically, they should get experts from highly innovative countries such as Israel, and those who have comprehensive business experience, such as venture capitalists. This will enable the authorities to really put companies through their paces and challenge them.					
Expected impact	2	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Create a vibrant and productive start-up and entrepreneurial ecosystem	Owner	Deputy Ministry Research, Innovation and Digital Policy and Ministry of Finance	Start	07/2023
Initiative ID: 53	Provide incentives to attract and retain entrepreneurial talent			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The ability of Cyprus to attract entrepreneurs will crucially depend on wider horizontal reforms. These include liveability, air connectivity and boosting R&D.Many governments (Estonia, Lithuania, Israel, Canada, France, UK, Portugal, US) are supporting their start-up ecosystems by adopting a favourable treatment of stock options. Cyprus should consider introducing similar initiatives. Currently, non-transferable stock options are taxed early.A ‘Start-up Visa’ scheme was piloted between 2017 and 2019. However, over the course of the two years, only 14 applications were submitted, resulting in 6 Cyprus Residence Permits being granted. Changes including reducing capital required from €50,000 to €20,000 and family reunification have been made.		<ul style="list-style-type: none">Chief Scientist for Research and InnovationResearch and Innovation Foundation (RIF)Ministry of FinanceCivil Registry and Migration Department (CRMD)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2, Reform 2, Page 280.New Industrial Policy of Cyprus 2019-2030Smart Specialisation Strategy for Cyprus 2016-2020Cyprus Research & Innovation Strategy Framework 2019-2023Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
Key activities					
<ul style="list-style-type: none">Develop and attract entrepreneurial talent consider financial and non-financial incentives such as:<ul style="list-style-type: none">Financial Incentives:<ul style="list-style-type: none">➤ Extend the 50% tax exemption for non-residents earning less than €100,000 to better incentivise mid-level professionals and research employees.➤ Consider favourable stock (alternative compensation to employees) option treatment as in the case of Estonia, Lithuania, Israel, Canada, France, UK, Portugal, US.Non-financial incentives:<ul style="list-style-type: none">➤ Allow a 6 month buffer following the failure of a start-up for the entrepreneur to stay in Cyprus and explore other opportunities. Consider amendments to the current Visa schemes available.➤ Modernise Cyprus's visa and application processes (see more on Initiative ID129).➤ Improve Cyprus's air connectivity to key markets in order to make Cyprus a great and convenient place to do work, study, visit and live (see more on Initiative ID137).➤ Invest in new developments for affordable housing, in regenerating residential spaces and attracting movers (e.g. new families, recent graduates) and place safety at its heart (see more on Initiative ID182).➤ Introduce all-day schools as it will benefit the parents/guardians enabling them to focus on their business, especially for women (see more on Initiative ID146).➤ Design a STEM visa fast track process (see more on Initiative ID132).➤ Digitalise the Department of Registrar of Companies and Official Receiver (see more on Initiative ID67).					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Finland: Entrepreneurial Education (Appendix 4.2)
				Dependencies	48, 51, 67, 129, 132, 137, 146 & 182

Initiative Area	Create a vibrant and productive start-up and entrepreneurial ecosystem	Owner	Cyprus Ministry of Education and Culture	Start	01/2024
Initiative ID: 54	Promote a culture of entrepreneurship			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">According to the Global Competitiveness Report 2019, Cyprus has low score in the Innovation Capability pillar (46/100).Specifically, Cyprus scores very low on the International co-inventions (29/100), multi-stakeholder collaboration (42/100), patent applications (43/100), R&D expenditure (17/100).According to the Global Entrepreneurship Monitor, Cyprus’s ecosystem weakness are the following:<ul style="list-style-type: none">Entrepreneurial education at school (in 2020 is 3.2 out of 9, up by only 0.1 from 2017/2018 but 0.4 down from the most recent 2018/2019).Access to Finance (3.6 in 2020, compared to 4.2 in 2018/2019 and 3.3 in 2017/2018).Research and Development transfer (3.9 in 2019/2020, 4.6 in 2018/2019 and 3.9 in 2017/2018).		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital policy (DMRID)			
Key activities					
<ul style="list-style-type: none">Add entrepreneurial education into the school curriculum. This should involve teaching students about business, but also embed a culture of creativity and thinking outside the box, and appetite for risk-taking.Organise school trips to incubators and accelerators to expose them to successful entrepreneurial stories, communities, culture. In collaboration with the Deputy Ministry of Innovation, the Ministry of Education should develop a programme to allow all students to visit at least once any of the incubators or Centers of Excellences active in research commercialisation of Cyprus.Set up a Young Entrepreneurs Club at schools, where students work together to develop and pitch a business idea. It should be a national competition, where students pitch to entrepreneurs (i.e. Dragons Den style). In addition, the participation of elementary and high school students in the Junior Achievement programme, which is already provided in Cyprus’s private and public schools, should be further encouraged.Encourage the media to promote entrepreneurship – including broadcasting shows about startups (e.g. a Cypriot Dragon’s Den programme modelled on the BBC equivalent), interviewing entrepreneurs on the news and hearing their stories (both successful and unsuccessful attempts). The Deputy Ministry of Research, Innovation and Digital Policy should also use social media to promote case studies of start ups, highlighting failures as well as successes.					
Expected impact	4	Ease of implementation	2	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				<ul style="list-style-type: none">Finland: Entrepreneurial Education (Appendix 4.2)	
				Dependencies	
				N/A	

Initiative Area	Nurture and grow start-ups and entrepreneurs	Owner	Deputy Ministry Research, Innovation and Digital Policy	Start	01/2023
Initiative ID: 55	Nurture and grow start-ups and entrepreneurs			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There is a pressing need to improve the efficiency and speed of public administration processes relevant for start-ups.Currently, the tax exemption only applies to private investors. Companies are not included in the General Block Exemption Regulation (GBER) of the EU.In 2020, CySEC developed a regulated environment for companies to obtain funding through crowdfunding platforms. However, knowledge and capacities in this field are still low, which hinders the mainstream use of crowdfunding.		<ul style="list-style-type: none">Ministry of FinanceChief Scientist for Research and InnovationResearch and Innovation Foundation (RIF)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2. Investment 1. page 280 & Investment 2. page 282.New Industrial Policy of Cyprus 2019-2030.Smart Specialisation Strategy for Cyprus 2016-2020.Cyprus Research & Innovation Strategy Framework 2019-2023.Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
Key activities					
<ul style="list-style-type: none">Reduce the administration burden and create additional incentives to start a business in Cyprus. Thus, the government should:<ul style="list-style-type: none">Ensure a continuity and certainty of innovation policies to increase the private sector’s willingness to undertake risky investments with a long payback period.Promote further the recently established Fast Track Business Activation abroad.Develop and established an ‘aftercare’ policy and governance programme for foreign-owned hightech, sciences and ICT firms established in Cyprus.Establish an independent strategic taskforce that will provide hands-on business advice to incubators and innovation hubs. It should comprise a few key experts and be an extension of the expert panel discussed on the following slides regarding Innovative Companies. They should have a comprehensive understanding of government policies, the entrepreneur community, and its sectors. Its role should include:<ul style="list-style-type: none">Making frequent open calls to start-up businesses and entrepreneurs to see what support they need to grow.Setting up a local association of early stage entrepreneurs and businesses which can offer support and advice to each other.Setting up a network of domestic and international mentors that can advise the start-ups of Cyprus's ecosystem.Specifically targeting female entrepreneurs with mentorship programmes – at schools, universities and work.Extend the tax exemption for companies investing (acquiring shares) in other innovative companies. Companies should also be included in the scheme to further boost entrepreneurship and innovation.Awareness and capacity building regarding crowdfunding: The authorities should build on the experiences gained from the Blue Crowdfunding project and provide training to all stakeholders involved. Also, a working group comprising to explore how the authorities can further promote crowdsourcing as an alternative form of finance for Cyprus companies.Raising the awareness of Cyprus's start-up ecosystem and business angels by:<ul style="list-style-type: none">Promoting the ecosystem as an alternative investment option – this should be done via education on financial literacy, as well as national advertising campaigns (for example, as part of the launch of new incubator/sandbox sites).Provide information and contact as part of aftercare services for international businesses investing and headquartering in Cyprus, and digital nomads.Disseminate the recent regulation (and subsequent proposed changes) on the commercialisation of research results towards the researchers of public universities and encouraging them to commercialise their research results and create spin-off companies.Build incubator/accelerator and sandbox sites for start-ups and entrepreneurs to come together, share and develop ideas, and connect with researchers and academics. These should be part of the proposed digital nomad community site.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	133 & 134

Additional case studies

A powerhouse of innovation

Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient



Case study: Denmark

National Research and Innovation Strategy 2017

In 2017, the Danish government launched a new research and innovation strategy, aimed at getting more value for money in government spending on R&D and the distribution of research, and increasing the quality of research.

- **Nobel Pact:** The strategy includes a 'Nobel Pact' which aims to create a framework for a coordinated strategic effort to promote and recognise Danish research as of a Nobel prize-winning quality. As a central initiative to the pact, the Government will establish a number of special Nobel prize centres with a sufficiently ambitious financial framework and long-term outlooks, in order to create research results that can compete with the absolute best international research.
- **Strengthened international cooperation:** The Government will work towards establishing new Danish innovation centres in the world's leading research and innovation hubs. Furthermore, an action plan will be drafted for Danish participation in EU framework programmes for research and innovation.
- **New model of funding for universities:** The Government will introduce a new model for distribution of basic funding, which will advance the quality of Danish research and support in-demand education and research areas. The new model will also support universities' ability to take long-term action and be strategic in their research efforts.
- **International knowledge transfer:** The Ministry of Higher Education and Science is setting up an international expert group that by 2019, will provide recommendations for how Denmark's efforts in knowledge-based innovation can rank among the global elite, and support stakeholders working effectively and in close cooperation towards common overall objectives. This panel of nine international experts was established in 2019, in consultation with the European Commission's Horizon 2020 Policy Support Facility. The terms of reference for the international expert panel are to illustrate with international case studies the use of instruments in innovation and make recommendations on how to improve innovation and research. It will also examine university efforts at technology transfer. The panel includes experts from across industry and academia, including stakeholders from Harvard Business School, Cambridge Enterprise, and the Swedish government innovation agency.
- **Prioritisation of technological research:** The Government will prioritise significantly more funding for technological research. An action plan will be drafted to increase capacity to carry out technological research in new digital technologies, health technology and robotics technology, as well as improving integration of new technological opportunities in research. The Government will also establish a national centre across all of the Danish research institutions to support the development of the digital area and contribute to cross-disciplinary research in artificial intelligence, big data, Internet-of-Things, quantum computing, blockchain, interaction design, etc.



Case study: Singapore

Pro-business legislation and investment

The Singapore government is continuously supplying the national economy with public investment to facilitate investment and innovation in the private sector. For example, the Research and Innovation Enterprise 2020 Plan committed to invest S\$19 billion between 2016 and 2020 to develop technological capabilities that support the competitiveness of manufacturing and engineering sectors, to develop a strong research and innovation community and to build a strong core of innovation enterprises that drive value creation.

Recent examples of government investment include:

- The government is allocating S\$8.3 billion between 2020 and 2022 to help companies scale up. Enterprise Singapore will run this two-year pilot programme, which will fund more than 10 trade associations and chambers covering all sectors of the economy to hire experienced executives that will provide advice to enterprises.
- An additional S\$300 million is being set aside to fund deep-tech start-ups, such as those in emerging technologies of med-tech and agri-tech. Under the scheme, the government will either co-invest with qualified third-party investors into start-ups, or invests in funds through fund-of-funds approach.
- The government is also launching the GoBusiness platform, a portal that streamlines transactions between the government and companies by creating a digitalised and simpler process for businesses to apply for licences, permits and certificates. It aims to save businesses time and reduce compliance costs. A key feature of the portal is the Guided Journey, which is a step-by-step guide that helps a business navigate the licensing landscape to determine the licences required, and the order to apply for them.

Singapore also has a strong intellectual property (IP) regime. The 2020 Bloomberg Innovation Index ranked Singapore third in the world. By promoting a progressive IP regime, the Singapore Government ensures that the right level of regulations protect business interests while enabling the free exchange of ideas, promoting investment, FDI and innovation.

- **Encourage the development and registration of Intellectual Property:** The Singapore government encourages the development and registration of IP through generous financial incentives, such as Capability Development Grant (CDG), and the Inland Revenue Authority of Singapore (IRAS)'s Productivity and Innovation Credit (PIC). The Intellectual Property Office of Singapore (IPOS) also helps inventors, entrepreneurs and businesses create and protect their innovations more conveniently with an online platform to register new IPs and free hearing and mediation services for disputes. It is also currently developing in-house search and examination capabilities in key technological areas to reduce the cost of filing in Singapore.
- **Defend intellectual property:** The Singapore government has also vigorously defended IP by creating a specialised IP court with IP specialists to resolve disputes and an Arbitration and Mediation Centre (WIPO). Collaboration between IPOS and WIPO allows parties to settle IP disputes without resorting to litigation, which reduces the time, expense and frustration involved. Finally, the IP Academy Singapore offers a Graduate Certificate in IP Law, ensuring the country has attorneys and jurists trained to handle IP matters.

3.3.6

Thriving and resilient economy

A powerhouse of innovation

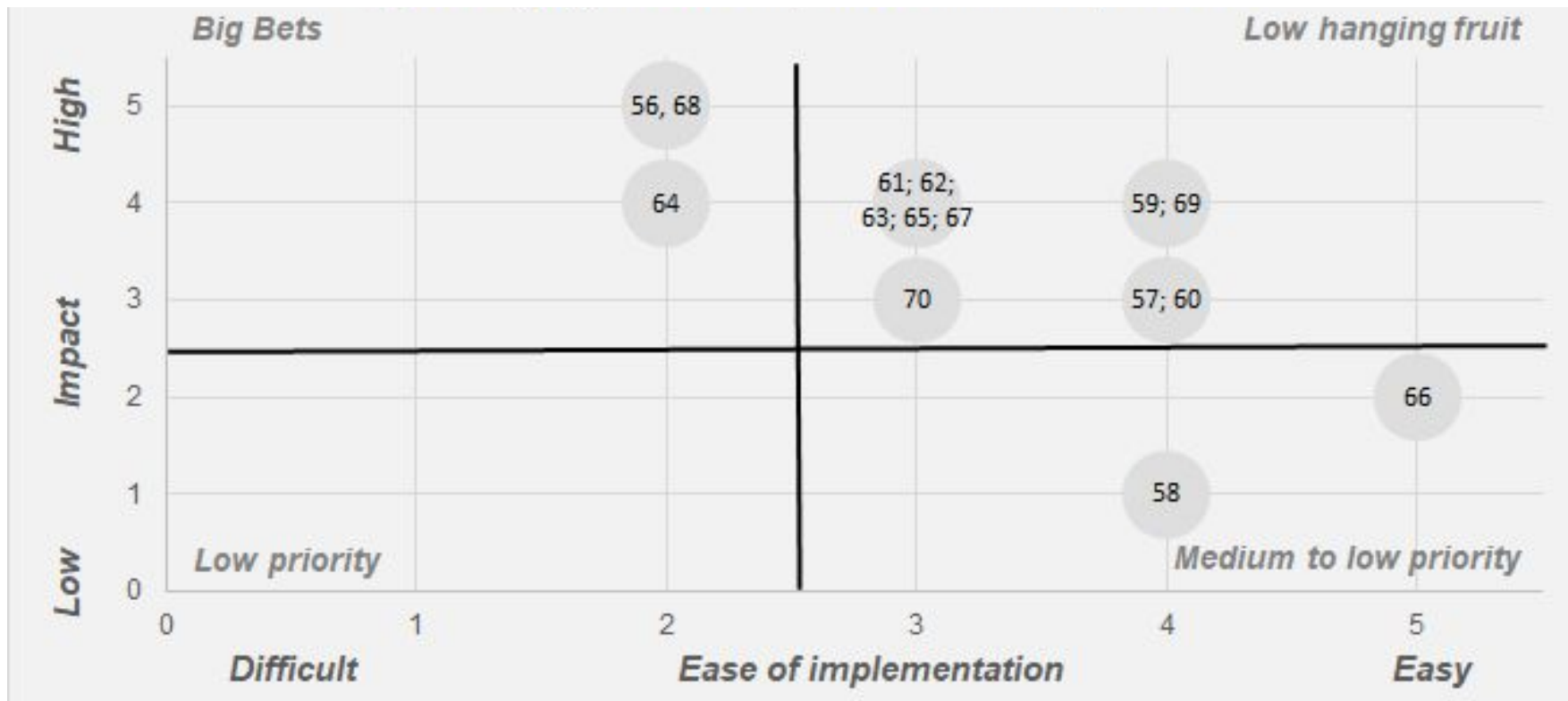
Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient

We have evaluated and mapped all initiatives under the “supported by digitalisation” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “supported by digitalisation” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Take the digital transformation of Cyprus to the next level, beyond e-Government	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 56	Setup a Digital Strategy and Policy Unit within the DMRIDP through which all public interventions needed for the delivery of Cyprus's digital ecosystem are coordinated and managed			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has made significant progress in the last years in the digital arena, and especially so amidst the COVID-19 pandemic. Its greatest accomplishments in terms of progress have been the foundational steps of building capacity and signalling outwards the strategic, political ownership to address these challenges through the establishment of a Deputy Ministry.Cyprus is ready and willing to transform. It's 'future readiness' and have led to the highest climb in the 2020 IMD World Digital Competitiveness Ranking from 41 of 63 countries in 2019, to 30th place – marking an improvement in all four categories in the overall ranking.Now Cyprus must go beyond the state of readiness and pursue a true transformation by adopting the Government-as-a-Platform model.Today, government IT systems/databases are scattered in several government locations/data centres, with limited security provisions and very high maintenance and operating costs.		<ul style="list-style-type: none">Public Administration and Personnel Department		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Reform 1, page 421National Digital Strategy - 3.2 Government as a Platform page 42Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
Key activities					
<ul style="list-style-type: none">Set up a Digital Strategy and Policy Unit within the Deputy Ministry of Research, Innovation and Digital Policy.This unit will be accountable for the delivery of Cyprus's digital ecosystem and the transition to a Government-as-a-Platform model as outlined in the national digital strategy. Therefore, all public interventions needed for the delivery of Cyprus's digital ecosystem will be coordinated and managed by the Unit.More specifically, it is envisaged that the Government-as-a-Platform will:<ul style="list-style-type: none">Provide the framework which will allow communities to come together, share, extend or enhance digital assets, processes and capabilities for the benefit of all stakeholders involved in the digital ecosystem.Create a common foundation which includes: guiding principles, standards, shared components and mechanisms for monitoring and enforcing of these standards and principles.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding (e.g. TSI).
				Case studies	N/A
				Dependencies	57, 58 & 59

Initiative Area	Take the digital transformation of Cyprus to the next level, beyond e-Government	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	07/2023
Initiative ID: 57	Define common frameworks and standards for the effective transformation of the public services delivery model to the Government-as-a-Platform model			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Reform 1, page 421National Digital Strategy, 3.2 Government as a Platform page 42Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
<ul style="list-style-type: none">The ‘Government-as-a-Platform’ framework is about reorganizing government work around a network of shared applications and components, open standards and canonical datasets.In light of the above, a new efficient platform-driven service delivery model, will change the ways of working and will organise themselves to be future-proof in an open, collaborative marketplace-like environment.This will enhance the manner in which public services and solutions are produced and provisioned and will aim to meet the rapidly changing expectations of all users – other ministry or broader public sector players, businesses, and society alike.The purpose of the Digital Services Factory (DSF) is to build a new delivery model for the development of end-to-end quality digital services aiming to improve the quality of life of citizens and businesses. The provision of digital services to the public, in a user friendly, efficient and effective way will ultimately facilitate the interaction with public services, without the need for physical presence		<ul style="list-style-type: none">All Line Ministries/Deputy Ministries			
Key activities					
<ul style="list-style-type: none">Design, implement, and foster a new and efficient public services delivery model.Define common frameworks and standards for the effective transformation of the public services delivery model to the Government-as-a-Platform model. This should include:<ul style="list-style-type: none">common architecture frameworks,interoperability standards,program/project management frameworks,risk management frameworks,change management frameworks, etc.Build a ‘Digital Services Factory’ capable of delivering standardised end-to-end digital micro services that will:<ul style="list-style-type: none">meet citizens’ needs,adopt a model to ensure the rapid implementation of services using Agile/Scrum methodologies,support further the the development of strong governance mechanisms to safeguard the sustainable deployment of services.					
Expected impact	3	Ease of implementation	4	Budget	Funds secured through the Recovery and Resilience Fund (RRF)
				Funding source	Recovery and Resilience Fund (RRF).
				Case studies	N/A
				Dependencies	56, 58 & 59

Initiative Area	Mobilise user roles and defined plans for the transition to Digital Cyprus	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 58	Establish key roles in the Government-as-a-Platform digital ecosystem			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">National Digital Strategy, 3.2 Government as a Platform page 42Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
<ul style="list-style-type: none">The Government-as-a-Platform digital ecosystem can dramatically boost speed to market, efficiency, and innovation-levels by leveraging inputs from any and all participants in the economy as collaborators.Cyprus' digital ecosystem is envisioned to be orchestrated by the government. Therefore the government becomes responsible for fostering the ecosystem around the Platform, supporting and enabling all stakeholders to act as producers and/or consumers within it.Producer and consumer roles can be held by anyone, leading to improved knowledge-sharing and speed to market for any digital solution.		<ul style="list-style-type: none">Line Ministries and Deputy MinistriesCyprus Academy of Public Administration (CAPA)Connect and mobilise the academia, private sector (e.g. through OEB, KEBE, ETEK, etc.) and the public (e.g. through the Commissioner of Citizens)			
Key activities					
<ul style="list-style-type: none">Define and establish the 3 key ‘roles’ in the digital ecosystem:<ul style="list-style-type: none">Orchestrator role – a role held by the government, more specifically the proposed Digital Strategy & Policy Unit is responsible for governance, fostering the ecosystem are the platform, and enabling all stakeholders to act as producers or consumers within it. That is, defining mechanisms that will enable the Platform to adapt to the changing needs of its users.Producer role – a role held by the government to create the services and shared components stakeholders can build upon to develop and provide their products and services to the ecosystem. Producing new services should involve collaboration with other players such as private sector and academia.Consumer role – anyone that has a need for digital products and services.					
Expected impact	1	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	56, 57 & 59

Initiative Area	Mobilise user roles and defined plans for the transition to Digital Cyprus	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 59	Define a clear plan with achievable targets to incrementally transition and adopt the "Government-as-a-Platform service delivery" model			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">National Digital Strategy, 4 Delivering the Digital Cyprus Portofolio (4.2 Next Steps) page 86Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
<ul style="list-style-type: none">Cyprus has kept busy making progress on ‘e-government.’ While this is a critical first step, it is only part of the journey to true digital transformation. Challenges thus far, validated by stakeholders include: vendor-lock, predicate on current understanding of government, systems-focused, not outcomes-focused change and duplication of effortsThese challenges caused the first iteration of ‘Cyprus's e-government’ to become associated with slow pace in digital transformation, digital versions of existing processes, not designed around citizen/user needs, but instead designed around the capabilities of the vendors providing the solution and low ecosystem stakeholder trust and confidenceOvercoming this challenges and setting achievable targets towards the adoption of the model will lead Cyprus to true transformation		<ul style="list-style-type: none">All stakeholders mentioned under IDs 84, 85 and 86			
Key activities					
<ul style="list-style-type: none">Establish the Platform after the formation of the Digital Strategy and Policy Unit (DSPU) (Year 1: End 2020 - Mid 2022 Setup & Mobilisation)<ul style="list-style-type: none">The DSPU operates as a consultant from Day 0 while laying the foundations for its orchestrator role and the organisation of the government into a Platform.Define the frameworks and standards that will underpin this transformation (how we enable production / consumption/orchestration) and identify the quick winsLaunch of the ‘Minimum Viable Platform’ and is made available to its first group of target stakeholders (Year 2-3: End 2022-2023 Introduction)<ul style="list-style-type: none">Targeted elements of the Digital Cyprus Portfolio (i.e. quick wins) should start to be delivered within the Platform to raise awareness around it and refine its operation framework. The Digital Cyprus Portfolio will be delivered in a Hybrid Manner.Embrace the Platform as the sole mechanism that enables delivery from the communities (Year 3-5: 2023-2025 Operational completeness)<ul style="list-style-type: none">Throughout its growth stage, the Platform will increasingly enable the private sector and academia to start delivering value alongside government taking advantage of the Platform.Put in place key mechanism of production, consumptions and orchestration (Year 5-onwards: 2025 – onwards Maturity)<ul style="list-style-type: none">The Platform will benefit from indirect network effects, the numbers of interactions on top of it increases and so do economies of scope					
Expected impact	4	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	56, 57 & 58

Initiative Area	Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2025
Initiative ID: 60	Deliver a plan to support in achieving national broadband objectives in alignment with EU standards (Connectivity)			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus ranks 24th out of 28 EU Member States in the EU’s DESI 2020, and the Digital Economic Opportunity Index, where Cyprus ranks 19th, 18th and 17th out of 22 in digital maturity against, digital technologies and digital accelerators, respectively.In 2020, Cyprus ranked 20th in the EU on the integration of digital technology in business activities as per the DESI.In order to raise Cyprus's standing in the DESI we should focus on quality, available and industry competitiveness by improving to two of the five assessment criteria, Connectivity and Use of InternetEfforts need to be made to allow all parts of society to take part in digital transformation, including rural populations currently experiencing significantly worse broadband access.		<ul style="list-style-type: none">Office of the Commissioner of Electronic Communications and Postal Regulation (ΓΕΡΗΤ/OCECPR)			
Key activities					
<ul style="list-style-type: none">Deliver a plan to achieve the national broadband objectives in alignment with EU standards. This plan should include:<ul style="list-style-type: none">achieving enhanced national connectivity,increasing Fibre to the Premises (FTTP),Fibre to the Home (FTTH) footprint,promoting higher ultrafast broadband (at least 100Mbps) to achieve greater penetration especially in rural and suburban areas andreducing broadband pricesEnsure continuity and certainty of innovation policies in order to increase the private sector’s willingness to undertake risky investments with a long payback period					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	61

Initiative Area	Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally	Owner	OCECPR & Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2024
Initiative ID: 61	Empower the National Regulatory Authority (OCECPR) and the National Broadband Competence Office (Connectivity)			End	12/2024
Context		Indicative contributing stakeholders			
<ul style="list-style-type: none">The Broadband Competence Office is currently understaffed and lacks the capacity to plan and implement broadband measures and ancillary actions in order for Cyprus to achieve the EU broadband targets. This has hindered the capacity of Cyprus to undertake measures to support the deployment of Very High Capacity Networks resulting in very low availability and penetration of such services.In order to raise Cyprus's standing in the DESI we should focus on quality, available and industry competitiveness by improving to two of the five assessment criteria, Connectivity and Use of InternetEfforts need to be made to allow all parts of society to take part in digital transformation, including rural populations currently experiencing significantly worse broadband access.National Regulatory Authority should assure timely and ambitious implementation of the regulatory and policy framework (European Electronic Communications Code) and the necessary secondary legislation and enabling instruments		<ul style="list-style-type: none">Public AuthoritiesElectronic Communication Network Operators			
Key activities					
<ul style="list-style-type: none">Empower the National Regulatory Authority (OCECPR) and the National Broadband Competence Office.Establish a Centralised Infrastructure Control committee with representation from all telcos and the regulator. The committee should investigate the potential of state intervention in those areas where commercial operators are unlikely to invest.Conduct a study on how to mitigate the overreliance on specific operators for the deployment and management of fixed and wireless broadband infrastructure.					
Expected impact		Ease of implementation		Budget	
4		3		TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				60	

Initiative Area	Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	07/2022
Initiative ID: 62	Set up a National e-Identity and e-Signature Management Program within the Digital Strategy and Policy Unit of the Deputy Ministry to ensure that the legal framework around electronic identification and signature is digital ready and establishes the mechanism upon which trusted certifying authorities operate			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The programs should create a plan for assigning an eID and e-Signature for each physical and legal entity while also defining the framework around eID and eSignature, in order to make interactions and transactions across society, business and public services digital by defaultDevelopment e-services across the Cyprus government and Ministries providing digital services to citizens		<ul style="list-style-type: none">Office of the Commissioner of Electronic Communications and Postal Regulation (ΓΕΡΗΤ/OCECPR)Public AuthoritiesElectronic Communication Network OperatorsEnd users		<ul style="list-style-type: none">National Digital Strategy - D1.2 Proprietary Impact Assessment framework, page 235Strategy on Economic Diplomacy 2021-2023 - Chapter 3, Pages 7-11	
Key activities					
<ul style="list-style-type: none">Enhance building cabling to be “Gigabit-ready” and promote connectivity take-up.Encourage end users to connect with very high-capacity networks, deployed close to their residence, through the reduction of cost.Ensure that 100% of the population living in organized communities (urban or rural), and all major terrestrial transport paths have uninterrupted 5G coverage.Develop e-services across Cyprus government and Ministries providing digital services to citizens.					
Expected impact	4	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	56

Initiative Area	Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2025
Initiative ID: 63	Setup a National Testbed Program within the proposed Digital Strategy and Policy Unit of the Deputy Ministry that will be tasked with creating a plan for building Cyprus's national brand as an ideal testbed destination for Europe and the region			End	06/2026
Context		Indicative contributing stakeholders			
<ul style="list-style-type: none">The Deputy Ministry has the ownership of rebuilding the government IT infrastructure to be a solid, integrated and modern government digital architecture, to drive standards across government IT systems and therefore to create the right infrastructure and controlled environment to establish Cyprus as a testbed for new products and services		<ul style="list-style-type: none">Office of the Commissioner of Electronic Communications and Postal Regulation (ΓΕΡΗΤ/ΟΕΚΡΡ)Public AuthoritiesElectronic Communication Network OperatorsCenter of Excellence (e.g. RISE, KIOS)			
Key activities					
<ul style="list-style-type: none">Setup a National Testbed Program that will be tasked with creating a plan for building Cyprus's national brand as an ideal testbed destination for Europe and the regionEstablish collaboration among existing owners of local testbeds e.g. KIOS, RISE and the government and develop right ecosystem for local and international participants to access, experiment, innovate and co-create.<ul style="list-style-type: none">The program could include: Big data sandboxes/Data Analysis and AI testbeds, IoT testbeds, Immersive/Virtual technologies testbed, Integration testbeds (e.g. Smart Cities/Smart Mobility/Cyber-physical security/Agritech					
Expected impact		Ease of implementation		Budget	
4		3		TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				56	

Initiative Area	Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally	Owner	Department of Information Technology Services (Deputy Ministry of Research, Innovation and Digital Policy)	Start	01/2024
Initiative ID: 64	Setup a Government Cloud Platform Program within the proposed Digital Strategy and Policy Unit of the Deputy Ministry to promote government wide adoption of cloud computing			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently, government IT systems/databases are scattered in several government locations/data centres, with limited security provisions and very high maintenance and operating costs.The Government of Cyprus has taken the decision to follow a Cloud-First policy approach and embark on a cloud journey. In this context, the cloud policy is currently being formulated and will include criteria regarding data classification, data residency and the hosting and operation of the government IT systems either in a public cloud or a government private cloud (G-Cloud) environment.The set up of a Government Cloud Platform Program shall aim to see all Cypriot public sector institutions (and eventually other institutions from within the ecosystem) to gradually transition from existing legacy systems to new Government Cloud solutions developed in accordance with the standards and frameworks and applicable laws and regulations.		<ul style="list-style-type: none">Local cloud – data centre providers, Telcos such as CYTA, CableNet, Cloud8, EPICIT Companies – consulting groups for the consultancy and migration services andGlobal Cloud Vendors (with EU data centres) such as Amazon, Microsoft, GoogleAll Line Ministries/Deputy Ministries.			
Key activities					
<ul style="list-style-type: none">Setup a National Testbed Program that will be tasked with creating a plan for building Cyprus's national brand as an ideal testbed destination for Europe and the regionSetup a Government Cloud Platform Program to promote government-wide adoption of cloud computing.<ul style="list-style-type: none">The program should deliver a comprehensive cloud platform that will help integrate existing and siloed infrastructure of the Cypriot public sector (and beyond) into a shared pool of resources.Implement the Government Cloud (G-Cloud) and establish a government cloud to consolidate systems and data scattered across government IT systems and implement a 'cloud first' migration strategy.<ul style="list-style-type: none">Evaluate existing, under development and forthcoming central Government IT systems in order to decide whether they will be hosted and operated in a public cloud environment or the G-Cloud. That would require activities in the following areas:<ul style="list-style-type: none">➤ Strategy and procurement methodologies➤ Recruitment, upskilling and reskilling of personnel➤ Operating model➤ Technical aspects (cloud architecture, assessment, deployment, migration, running, optimising, change management)					
Budget					
Funds secured through the Recovery and Resilience Fund (RRF)					
Funding source					
Recovery and Resilience Fund (RRF)					
Case studies					
N/A					
Dependencies					
56					
Expected impact		4	Ease of implementation		2

Initiative Area	Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	10/2025
Initiative ID: 65	Promote knowledge transfer and create incentives for greater digitalisation in the construction sector			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Digitalisation in the sector: The use of building information modelling systems and increased automation are key to the adoption of circular opportunities and better resource use.Knowledge transfer: Few construction companies have institutionalised knowledge transfer processes, meaning past experience is lost. A related issue is weak project monitoring, with a lack of data collection and analysis.		<ul style="list-style-type: none">Ministry of FinanceDepartment of Town Planning and Housing, Ministry of interiorResearch and Innovation FoundationEmployers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry, Contractors Council, Cyprus Scientific & Technical Chamber etc.)Cyprus Land and Building Developers Association		<ul style="list-style-type: none">Cyprus Research & Innovation Strategy Framework 2019 - 2023 - Strategic Pillar 4: Knowledge Transfer & Commercial Exploitation page 17	
Key activities					
<ul style="list-style-type: none">Consider providing financial incentives such as tax incentives (similar to those for R&D) to companies who invest in new technologies (such as drones) to ensure that Cyprus keeps pace with technological developments in the world.Promote business management training for professionals within the construction sector,Develop a section in the website of the Cyprus Land and Building Developers Association, to promote case studies online (e.g. lessons learned, aspiration cases etc.)					
Expected impact	4	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Develop the necessary infrastructure to support growth in e-commerce	Owner	Ministry of Transport, Communication and Works	Start	01/2022
Initiative ID: 66	Improve the efficiency and capability of Cyprus Post by reducing administrative duties			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Strategic Plan of Ministry of Transport, Communication and Works 2021 - 2023 - Sustainable development and upgrade of postal services, page 50	
<ul style="list-style-type: none">According to a study by the European Commission, Cyprus is one of the three countries in the EU where authorisation procedures and related administrative burdens are disproportionately high compared to other member states. Mitigating administrative duties can enhance choice and service quality for both e-retailers and consumers.A reliable postal service, which delivers on time and offers affordable prices for cross-border deliveries, will be a crucial factor in deciding how fast and how far Cyprus’s online retail market can grow.		<ul style="list-style-type: none">Office of the Commissioner of Electronic Communications and Postal Regulation (ΓΕΡΗΕΤ/ΟΕΕΚΡ)Ministry of Energy, Commerce and IndustryCitizens Services Center, Ministry of Finance			
Key activities					
<ul style="list-style-type: none">Invest in Cyprus postal infrastructure to support growth in e-commerceReview whether authorisation procedures and related administrative burdens imposed on parcel service providers can be simplified.					
Expected impact		Ease of implementation		Dependencies	
2		5		N/A	

Initiative Area	Focus on user centricity and efficient digital public services	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 67	Accelerate existing Deputy Ministry action plans to drive digitization across the government, future proofing the delivery of public services			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Embracing and implementing user-driven approaches in the design and delivery of public services is becoming one of the major priorities of governments. Digital tools should enable users to express their needs and public sector organisations to test ways to best identify and meet these needs.despite progress, Cyprus still trails behind its peers in both e-government and digital performance. Cyprus ranks 24th out of 28 EU Member States in the EU’s DESI 2020, and the Digital Economic Opportunity Index, where Cyprus ranks 19th, 18th and 17th out of 22 in digital maturity against, digital technologies and digital accelerators, respectively.		<ul style="list-style-type: none">Indicative key contributing stakeholders for each initiatives are shown on each respective initiative listed below		<ul style="list-style-type: none">Indicative links to other strategies for each initiatives are shown on each respective initiative listed below	
Key activities (continued on the next page)					
<ul style="list-style-type: none">(A) Implementation of national health information system to provide all public hospitals and health centres with a common database as well as upgrading the level of service and provision of medical care to the citizens, alongside with better organisation and control of the operation of hospitals.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: National eHealth Authority (NeHA), Ministry of Health (MOH), State Health Services Organisations (SHSO), Health Insurance Organisation (HIO), Private Hospitals and Medical professionalsLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 1.1. Investment 6. page 80 and National Digital Strategy - D1.2 Proprietary Impact Assessment framework. page 235(B) Development of a new information system for the customs department and ensure the correct application of the Union Customs Code (UCC) Work Plan of the European Union, to modernise and simplify trade into and within the EU and to harmonise the customs procedures across Member States.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Customs AdministrationLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 3.5. Investment 2. page 395 and National Digital Strategy - D1.2 Proprietary Impact Assessment framework. page 235(C) Digital transformation of Cyprus Ports. Enable the digital transformation in order to ensure that efficient and effective communication between the vessels and the relevant competent authorities are executed seamlessly and digitally. Improve the monitoring of vessel traffic in the whole of Cyprus waters, to ensure the safe navigation of vessels, reduce the risk of environmental damages due to spills from accidents and reduce vessel emissions by plotting more efficient routes.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Cyprus Ports AuthorityLinks to: Cyprus Recovery and Resilience Plan (RRP)- Component 4.2. Investment 1. page 429 and National Digital Strategy - D1.2 Proprietary Impact Assessment framework. page 235Dependencies: ID 239: Accelerate the digital transformation with digitalisation of port process and, over the long-term, the integration of intelligent Internet of Things (IoT) solutions.					
Expected impact		Ease of implementation		Budget	
4		3		TBD	
				Funding source	
				Some funds may be available through Recovery and Resilience Fund (RRF). Consider other sources of funding	
				Case studies	
				N/A	
				Dependencies	
				24, 237 & 239	

Initiative Area	Focus on user centricity and efficient digital public services	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 67 <i>continued</i>	Accelerate existing Deputy Ministry action plans to drive digitization across the government, future proofing the delivery of public services			End	12/2025
Key activities (continued)					
<ul style="list-style-type: none">(D) Development of a new integrated information system for the road transport that will enable Road Transport Department to provide all its services electronically, thus minimizing bureaucracy, improving customer service and raising productivity, while better utilising human resources. This measure is expected to result in lower government expenses and lower fees<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Ministry of Transport, Communication and WorksLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Investment 2, page 442 and Strategic Plan of Ministry of Transport, Communication and Works 2021 - 2023 - Sustainable development and upgrade of postal services, page 50(E) Digital transformation of the Deputy Ministry of Shipping. Enable the digital transformation and optimisation of Deputy Ministry of Shipping operations and processes. The simplification and streamlining of the internal processes across the complete spectrum of its operations, within the scope of Digital Transformation and in alignment with the Government's goal of digitally transforming the public sector.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Deputy Ministry of ShippingLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Investment 1, page 429Dependencies: ID 237: Enhance the competitiveness of Cyprus' maritime industry(F) Promote e-government through the design and installation of the electronic system, government gateway. The system will allow the electronic submission of grant schemes applications under the de minimis rule as well as their evaluation up to the stage of decision to pay the grant. In this context the redesign of the Trade service website is mandatory to accommodate new technological features and to work as a guideline for the enterprises interested in exporting.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Trade Service Department of Ministry of Energy, Commerce and IndustryLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Reform 1, page 421 and National Digital Strategy - D1.2 Proprietary Impact Assessment framework, page 235(G) Digitalisation of the Department of Registrar of Companies and Official Receiver. Deployment, operation and maintenance of a New Integrated Registry Platform Solution in the Companies and Intellectual and Industrial Property Divisions of the Department of Registrar of Companies and Official Receiver, aiming at the complete digital transformation, optimisation of processes and the provision of fast and high-quality services to customers.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Department of Registrar of Companies and Official Receiver, Ministry of Energy, Industry and CommerceLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 3.3, Investment 1, page 301 and National Digital Strategy - D1.2 Proprietary Impact Assessment framework, page 235(H) Set up E-justice system. Digitalise the operations of courts, accelerating court awards while at the same time relieving citizens and professionals (lawyers and law offices) of bureaucratic burden by providing digital services through the web.<ul style="list-style-type: none">Key contributing stakeholders for this initiative will be: Supreme CourtLinks to: Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 9, page 352 and National Digital Strategy - D1.2 Proprietary Impact Assessment framework, page 235Dependencies: ID 24: Promote digitalisation and set up an e-justice system					
Indicative links to other national plans / strategies / studies					
<ul style="list-style-type: none">Indicative links to other strategies for each initiatives are shown on each respective initiative listed below					
Budget					
TBD					
Funding source					
Some funds may be available through Recovery and Resilience Fund (RRF). Consider other sources of funding					
Case studies					
N/A					
Dependencies					
24, 237 & 239					
Expected impact	4	Ease of implementation	3		

Initiative Area	Build a leading digital economy with more competitive and future proofed industries, leveraging the growing local ICT sector	Owner	Ministry of Energy, Commerce and Industry	Start	01/2023
Initiative ID: 68	Deliver a leading digital economy that continually reinvents itself in the fourth industrial revolution			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Digitalisation is one of the key enablers to the economy and its growth and prosperity. The 2012 Digital Strategy and Action plan identified the ICT sector as the priority growth sector for the country. Ten years later the Vision 2035 set forth by this long-term economic strategy reconfirms the importance of ICT and professional services in driving economic growth. Given the importance of this sector, the national authorities should accelerate the plans to deliver this portfolio and deliver a leading digital economy that continually reinvents by taking advantage of a growing ICT sector to bolster competitiveness in all industriesHowever, Cyprus's current standing on relevant indices and its economic performance indicates the need for improving digital transformation and harnessing the full potential envisioned by the new national digital strategy in Digital Cyprus. One of the five portfolios defined in the strategy relates to the digitalisation of the economy.<ul style="list-style-type: none">In 2020, Cyprus ranked 20th in the EU on the integration of digital technology in business activities as per the DESI.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyMinistry of FinanceMinistry of Labour, Welfare and Social InsurancePrivate sector trainers			
Key activities					
<ul style="list-style-type: none">Perform close evaluation on current progress and outcomes of key existing initiatives as they strongly and directly contribute to the objective of digitalising the economy and ensure the efficient execution and desired results. The below initiatives should be accelerated:<ul style="list-style-type: none">The scheme for enhancing digital technology integration in SMEs that was launched in December 2019 and aims to enhance the digital identity of business and to increase the number of SMEs using ICT as the share of enterprises selling online in Cyprus is lower than the EU average. This is partly brought about by the changes to lifestyles and how businesses operate owing to the COVID-19 pandemic.The smart manufacturing and digitisation pillars of the new Industrial Strategy Policy of Cyprus (2019-2030). Investment outlined in the strategy to increase productivity must be accelerated and aligned to Vision 2035 and to growth sectors outlined in this umbrella, long-term economic strategy. Success in the industrial strategy may also be reinforced by structural funding should Cyprus successfully receive funding in response to related actions requested in its RRP.Create incentives and a framework for local strategy and technology advisory firms to provide relevant expert information as well as hands-on, technical support at reduced rates to drive technology enablement within the private sector and particularly to SMEs that the specific tools and technologies would otherwise be largely inaccessible due to the size, scale and financial feasibility<ul style="list-style-type: none">The Deputy Ministry of Digital Policy should establish a website that clearly sets out the vision for the private sector/economy, benefits to business and citizens alike.Promote implementation and utilisation of digital services such as e-signature, e-seal, e-document, e-invoice, data & analytics, database and BPM workflow tools, etc.					
Expected impact	5	Ease of implementation		2	

Budget
TBD
Funding source
Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
Case studies
N/A
Dependencies
N/A

Initiative Area	Build a leading digital economy with more competitive and future proofed industries, leveraging the growing local ICT sector	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	04/2022
Initiative ID: 69	Define an ICT Industry Strategy			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The ICT sector has been an increasingly important source of growth to countries across the world. Cyprus is no exception. The number of companies in the ICT sector increased significantly from 650 in 2008 to 1,600 in 2017, with a corresponding increase in turnover from €1.4 billion to €3.3 billion.The contribution of the ICT sector to cumulative real GDP growth was ~6.3% in 2001 – 2009 period. This share rose to ~15% of the cumulative real GDP growth in the 2015 – 2019 period showing tremendous growth that should be capitalised onHowever, a digital skills gap is still present in the economy: domestic demand for ICT specialists exceeds domestic supply.There is clear value and need for defining a long-term, strategic view and plan for the sector for Cyprus to ensure that the growth continues.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceMinistry of FinanceHuman Resource Development AuthorityInvest Cyprus			
Key activities				Budget	TBD
<ul style="list-style-type: none">Define an actionable ICT Industry Sector strategy and framework to identify key focus areas that Cyprus should invest in so as to create a strong and resilient ICT sector with local and international needsDefine an actionable ICT Industry Sector EU-alignment strategy and framework to identify key areas where alignment with the EU should be pursued and determine how to best achieve thisDefine a benefits program for technology companies (both foreign and local) that includes tax benefits, legislation enhancements, tools and infrastructureBegin the delivery of key strategic objectives and benefits program implementation.				Funding source	TBD
				Case studies	N/A
				Dependencies	234
Expected impact	4	Ease of implementation	4		

Initiative Area	Build a leading digital economy with more competitive and future proofed industries, leveraging the growing local ICT sector	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2023
Initiative ID: 70	Ensure harmonisation with EU legislation			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Intellectual Property Law 59/1976: The Law of Copyright and Related Rights Act 1976 (59/1976) contains no definition/and or specific sectors concerning ICT.This initiative aims to harmonise the of Intellectual Property Law with EU Directive 2009/24/EC on the Legal Protection of Computer Programs		<ul style="list-style-type: none">Law Office of the Republic of CyprusHouse of Representatives			
Key activities					
<ul style="list-style-type: none">Update the legislation to incorporate definitions, procedures, and a framework on the relevant matters that are important to facilitate the operation of ICT companies (e.g. including definitions of a ‘computer program’)Provide a more attractive regime for ICT companiesUpdate Cyprus’s legislation in order to be harmonized with the relevant EU Directive 2009/24/EC on the Legal Protection of Computer Programs					
Expected impact	3	Ease of implementation		3	Budget
				TBD	
				Funding source	
				Consider absorbing funds from National Budget	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Additional case studies

A powerhouse of innovation

Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient



Case study: UK

GDS – Government as a Platform model

The UK Government Digital Service (GDS) is a centre of excellence in digital, technology and data and helps people interact with the government and supports the government to operate more effectively and efficiently. It was formed in April 2011 to implement the 'Digital by Default' strategy.

Its responsibilities include:

- Providing best practice guidance and advice for consistent, coherent, high quality services;
- Setting and enforcing standards for digital services;
- Building and supporting common platforms, services, components and tools;
- Helping the government choose the right technology, favouring shorter, more flexible relationships with a wider variety of suppliers;
- Leading the Digital, Data and Technology function for government; supporting increased use of emerging technologies by the public sector;

In early 2015, the GDS adopted the 'Government as a Platform (GaaP)' model as a part of furthering its digital transformation work. The GaaP model is a (re)organisation of the work of government around 'the culture, practices processes and technologies of the Internet-era' that aims to enable the government to operate 'as a Platform' fostering a vibrant ecosystem of stakeholders and facilitating exchanges between them that lead to the creation of value for all. The GaaP model was adopted to improve the public services, remove silos, digitally transform the way the government works and deliver a shared open infrastructure for anyone to build upon. It allows key issues to be solved for once, and the benefits to be shared with all through the creation of common, commodity-like components (or digital building blocks e.g. code, templates, etc.) that can be used by other ecosystem players. In this manner, digital services or solutions can be co-developed and delivered to market quicker than ever.

The GDS maintains and improves the following cross-government platforms and tools:

- **Digital Marketplace** – a platform to find people and technology for digital projects.
- **Government Digital Services (GDS) Academy** – trains public sector workers in how to work in an agile team and how to design a digital service.
- **GOV.UK** – A platform for publishing – used by hundreds of government departments and agencies
- **GOV.UK Design System** – To make your service consistent with GOV.UK by using components, styles and patterns.
- **GOV.UK Notify** – A platform for messaging – to help service teams keep users updated with emails, texts and letters.

- **GOV.UK Pay** – A platform for payments – a simple, secure way for people to pay for government services online.
- **GOV.UK PaaS** – A platform for hosting – so service teams can focus on building their service, not managing infrastructure.
- **GOV.UK Registers** – Canonical sources of data – authoritative datasets services can rely on.
- **GOV.UK Verify** – A platform for identity – a new way for citizens to prove who they are when they use government services
- **GOVWifi** – A wifi authentication service allowing staff and visitors to use a single username and password to connect to guest wifi across the public sector.
- **Performance Platform** – Provides performance data of government services
- **Public Services Network (PSN)** – The government's high-performance network, which helps public sector organisations work together, reduce duplication and share resources.

In addition, GDS is administering the following standards:

- Cabinet Office spend controls for digital and technology,
- Digital Service Standard,
- Open standards,
- Technology Code of Practice

This model has been proved to be even more important during the COVID-19 crisis as using GaaP products (platforms and tools) has made it quicker, easier, and cheaper to create the essential services the public need. These are some examples:

- GOV.UK Notify has been used for NHS text message support for the extremely vulnerable and those isolating at home, business continuity messaging for public sector staff, and FCO travel alerts for those overseas (around 2 million SMS messages were sent on a single day in March).
- The service to offer coronavirus (COVID-19) support from your business like medical equipment; protective equipment for healthcare workers, such as masks, gowns, and sanitiser; and hotel rooms for frontline staff (the service was developed in 4 days using the Design System, GOV.UK PaaS and GOV.UK Notify)
- The Home Office has added GOV.UK Pay's standalone payment links to invoices to support payments typically taken over the phone by staff at the Shared Service Centre.

Sources:

Gov.uk, How government as a platform is meeting challenges posed by coronavirus

Gov.uk, Government as a Platform blog

Medium, A working definition of Government as a Platform, 2019.

3.3.7

Thriving and resilient economy

A powerhouse of innovation

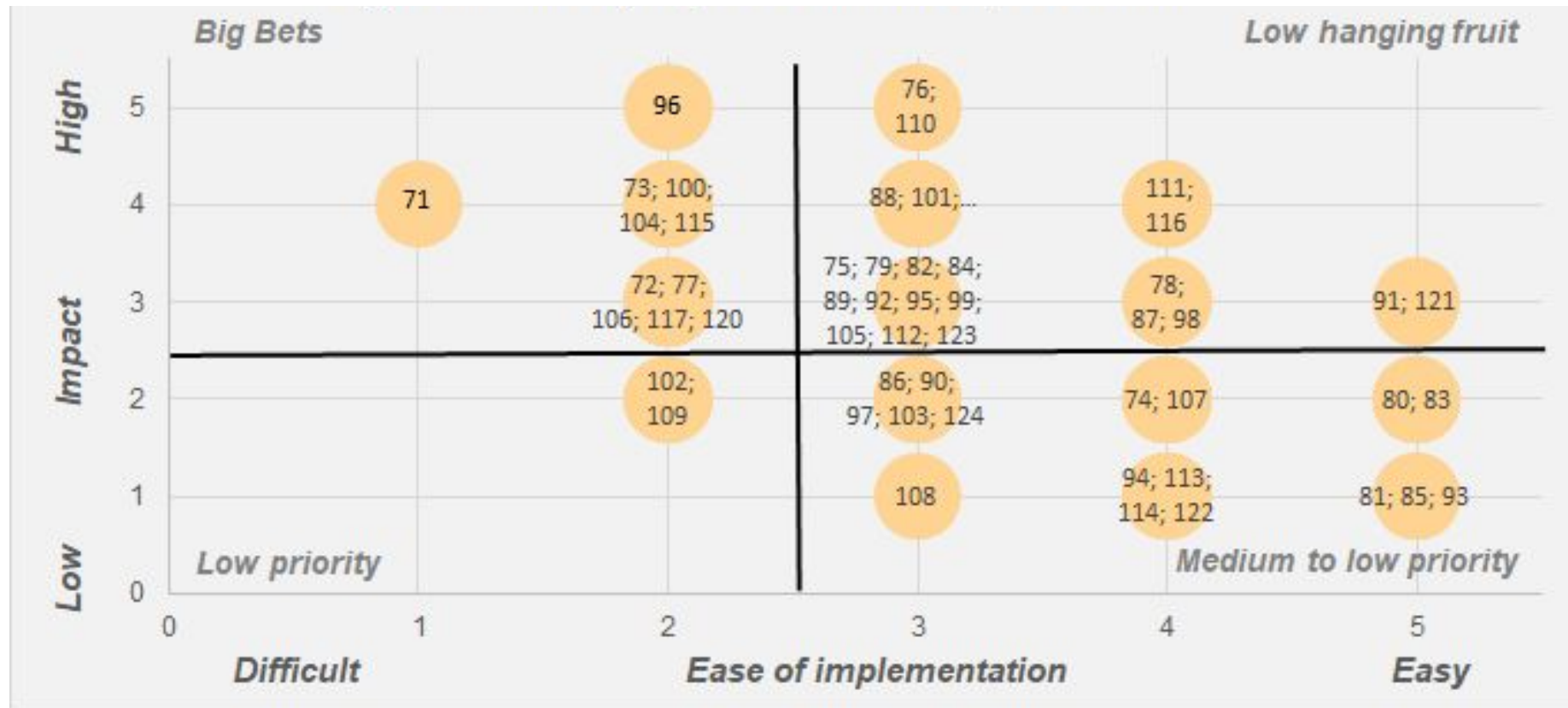
Supported by digitalisation

A greener economy

So the economy is diversified, sustainable and more resilient

We have evaluated and mapped all initiatives under the “greener economy” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “greener economy” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	To coordinate and drive change across all Ministries, a Deputy Ministry of Climate Action, the Environment and Sustainability should be established	Owner	Council of Ministers	Start	01/2022
Initiative ID: 71	Creation of a Deputy Ministry for Climate Action, the Environment and Sustainability			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The mission is to:<ul style="list-style-type: none">Develop a sustainable, low carbon and clean energy economy, which meets EU and global targets to limit climate change.Create a clear roadmap with targets and timelines, and design policies, regulation and reforms to implement the strategy.Educate and support every citizen and business to move towards a green future and make sustainable decisions. Enable Cyprus to adapt to climate change and develop resilience to its effects.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMinistry of Agriculture, Rural Development and EnvironmentMinistry of Transport, Communications and Works		N/A	
Key activities				Budget	
<ul style="list-style-type: none">Create a Deputy Ministry for Climate Action, the Environment and Sustainability to:<ul style="list-style-type: none">Send a clear signal to businesses, citizens and Cyprus’s European partners that the green agenda is a top priority – this will stimulate R&D, business activity in the green economy, and incentivise households to change behaviours.Join up and coordinate the various green initiatives undertaken across the Ministries.Better reflect the economic and social importance of sustainability with a dedicated and large Ministry.The Deputy Ministry will have four primary functions:<ul style="list-style-type: none">Develop and implement a long-term energy transition strategy to move Cyprus away from fossil fuels and towards renewable energy, capitalising on its solar potential by shifting departments and identify people from other Ministries. We propose shifting the Energy Service from the Ministry of Energy, Commerce and Industry into this Deputy Ministry. Most hiring can be done within the civil service including using resources from the Ministries of Energy, Transport and Agriculture.Develop a roadmap to take Cyprus to net zero, designing and implementing policies to reduce emissions, develop a cyclical economy and protect biodiversity by recruiting key experts to design policies and Cyprus's energy transition, some new experts with a mixture of industry and academic experience (i.e. PhD in energy) will likely be required, including expert advice from other countries. International expertise should be sought where and when necessary.Coordinate and drive investment in green R&D for innovation and technological solutions to help Cyprus meet its targets and adapt to climate change by appointing a ‘Climate Action’ representative in all other Ministries responsible to ensure alignment between budgets and policies with the Deputy Ministry of Climate. Clear communication (i.e. quarterly workshops) and governance channels should be established.Act as the single point of contact for information and advice on the latest regulations, incentives and schemes that will help businesses and households move to a green future by investing in a world class website as a one stop-shop for all information relating to Cyprus's green agenda. It should detail targets, initiatives and progress – sending a strong signal to investors, businesses. It should also present information on incentives, grants and projects so that anyone can apply online and get approved within 72 hours.The Deputy Ministry can be comprised of five key departments, responsible for the various different aspects that comprise the green agenda. The Deputy Minister should be appointed as Cyprus's Climate Tzar and be accountable for Cyprus meeting its and EU targets and coordinating the efforts of the entire Deputy Ministry.				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	
Expected impact	4	Ease of implementation	1		

Initiative Area	Transition to a clean energy system that capitalises Cyprus's world class solar energy potential	Owner	Department of Environment	Start	03/2022
Initiative ID: 72	Develop a roadmap for Cyprus's energy transition			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There is an urgent need to develop a clear roadmap for Cyprus's energy transition away from fossil fuels and towards a renewable and clean energy future. Against the backdrop of the EU's Green Deal, policymakers need to clearly set out the role that natural gas will play in Cyprus's energy transition.Policymakers must send a clear signal to businesses and investors, and provide them with the confidence that there will be a sufficient market in Cyprus that will be supported by ongoing investment (i.e. in smart grids) by the government.Given the fundamental infrastructure that will be required to support the growth of new industries, like hydrogen, policymakers must begin strategizing and identifying investment needs today, in order for Cyprus to capitalise on innovations and developments in clean energy when the time comes for them to be commercially viable.		<ul style="list-style-type: none">Energy ServiceHydrocarbons ServiceMinistry of Transport, Communications & WorksDepartment of ForestsMinistry of FinanceCyprus Hydrocarbons Company Ltd.		<ul style="list-style-type: none">Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 2, page 47	
Key activities					
<ul style="list-style-type: none">Develop a clear roadmap for Cyprus's energy transition that it will also help to inform the design of the proposed Deputy Ministry of Climate Action, the Environment and Sustainability. Make the roadmap a mandate of the new Deputy Ministry of Climate Action and Sustainability. The need to create an energy transition roadmap should be enshrined in the mandate and mission of the Deputy Ministry of Climate Action and Sustainability. The Deputy Minister should be directly responsible for commissioning, producing and implementing the roadmap. The roadmap should:<ul style="list-style-type: none">Set out the energy outlook for Cyprus, drawing on global energy outlooks such as the International Energy Agency's, but within the Cypriot context – for example, over what timeline is natural gas expected to play a role?Set out clear KPIs and targets. Cyprus should aim to have a third of its energy from renewable sources by 2030, 75% by 2040 and 100% by 2050. Both medium-term and long-term targets must be set out to show the path of transition and to inform business planning.Identify investment requirements and opportunities, for example in upgrading the electricity grid and preparing for hydrogen (i.e. pipes).Assign clear actions to stakeholders – the report must be more than a strategy, but a roadmap. It must detail an implementable action plan, with clear interventions and policies and responsible stakeholders.Appoint IRENA to update their analysis and advise on the roadmap. The International Renewable Energy Agency (IRENA) wrote a renewable energy roadmap for Cyprus in 2015. The landscape has changed since then, due to slow progress in opening up the country's electricity market and bringing natural gas to the market, as well as increasing targets from the EU on renewable energy. Their analysis should be updated based on detailed demand forecasts, long-term energy modelling and a review of relevant technologies for the grid integration of variable renewable energy.Get cross-party support for the implementation of the roadmap. There is an urgent need for all political parties to agree on a comprehensive energy transition plan based on a scientifically substantiated inter-party energy agreement. Public declaration of support for the findings of the IRENA and Deputy Ministry report should be attained. The costs of inactions should also be communicated to the public.Conduct an annual review of progress towards achieving the roadmap. Progress against action should be assessed and stakeholders and their actions should be awarded RAG ratings, which are publicly available on the Deputy Ministry of Climate Action and Sustainability website.Engage the private sector. The roadmap must clearly set out the opportunity for not only satisfying national demand, but also the potential for exporting. This will require the government to lay the foundations, with key investments in regional pipelines, for example.Consider the role of Cyprus in hydrogen economy of the Southeast Mediterranean region as this region can become pioneers towards a hydrogen economy and become exporters of sustainable energy to the European Union. Policymakers must actively engage in regional long-term strategic planning, for example led by MEDREG (Mediterranean Energy Regulators). Specifically, it must consider:<ul style="list-style-type: none">The connection of Cyprus with other Southeast Mediterranean countries through electricity interconnections and natural gas pipelines.The integration of sustainable energy technologies in the region.The use of hydrogen technology after 2030.					
Expected impact		3	Ease of implementation		2

Budget	
TBD	
Funding source	
TBD	
Case studies	
N/A	
Dependencies	
71	

Initiative Area	Ensure the electricity market is open and equipped to maximise renewable energy in the mix	Owner	Cyprus Energy Regulatory Authority (CERA)	Start	07/2022
Initiative ID: 73	Finalise the liberalisation of the electricity market by mid 2022			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Cyprus Energy Regulatory Authority (CERA) aims to introduce competition in the electricity market at the start of 2022, meaning producers of renewable energy will be able to sell via the national grid.There are three main objectives of electricity deregulation in Cyprus:<ul style="list-style-type: none">Reduction of the role of the state, in terms of, command and control, prescriptive solutions and direct cross subsidy.Creation and enhancement of competition, with the aim of increasing the share of renewable energy and lowering electricity prices.Increasing choice for consumers and participation in short- and long-term demand management and responsibility to secure their energy.Several activities have already been completed concerning the new electricity market rules, the review of grid codes, the regulation of Electricity Authority of Cyprus (EAC) activities by regulated tariffs, functional un-bundling and un-bundling of accounts, as well as the improvement of Transmission System Operator (TSO) resources. The legislation revision which includes the unbundling of the TSO activity from the EAC is at a final stage awaiting approval from the House of Representatives.CERA has issued a series of regulatory decisions, specifically:<ul style="list-style-type: none">The mass installation, by the Distribution System Operator (DSO), of an Advanced Metering Infrastructure including smart meters to all electricity consumers.The establishment of basic principles of a regulatory framework for the operation of electricity storage systems in the wholesale electricity market.The redesign by the TSO and DSO of the power grid to become smart and bi-directional, in order to allow integration of large quantities of renewable energy sources in combination with energy storage systems.Fifteen independent electricity suppliers have been licenced to date.However, there are delays mainly concerning the development of two software applications – one by the TSO and one by the DSO, which are both pre-requisites for the operation and monitoring of the electricity market.		<ul style="list-style-type: none">Electricity Authority of CyprusTransmission System Operator (TSOC)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.1, Investment 10, Page 134Cyprus' Integrated National Energy and Climate Plan 2021-2030, Pages 22, 88, 150 & 236	
Key activities					
<ul style="list-style-type: none">Commit additional resources urgently to overcome delays – delays in the creation of two software applications must be overcome as a prerequisite for the operation and monitoring of the liberalised electricity market.Eliminate bureaucracy for those who want to set up new power generation. To develop a truly liberalised electricity market, it needs to be quicker and more efficient for a new supplier to enter the market. CERA should run a consultation with the current licence holders to identify ways in which their license process could have been improved and prepare recommendations. Digitalisation of processes should also be optimised where possible.Procure the design of an electricity price comparison website once there is enough electricity suppliers in the market. The objective of the website should be to increase transparency and information on various energy providers to enable consumers to make an informed decision based on several objectives, including price and how green the energy is. It should be a legal requirement for energy companies to provide a certain amount of information across defined metrics.Educate people about switching suppliers – after there effectively being a sole energy supplier in Cyprus, there will be a learning curve for citizens of Cyprus to understand the benefits of the new liberalised market, the benefits of switching, how to compare suppliers (i.e. what different tariffs mean) and what consumer rights regarding switching are. CERA should create education resources, available online but also as part of an information campaign upon liberalisation, which set out consumer rights and how to go about switching suppliers. The UK's Ofgem provides excellent education guides which should be used as best practice.					
Expected impact	4	Ease of implementation	2	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Ensure the electricity market is open and equipped to maximise renewable energy in the mix	Owner	Cyprus Energy Regulatory Authority (CERA)	Start	07/2023
Initiative ID: 74	Design renewable energy generation auctions			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">A key trend in the maturity of the renewable energy sector has been the increasing use of auctions, as policymakers seek to procure renewables-based electricity at the lowest price and other criteria. It also enables foreign entities to bid and drive competition.There is a growing body of research into the best design of auctions. Most notably, AURES II (“Auctions for Renewable Energy Support II”) is an EU project, with a free and live database of auction rounds in EU countries, which presents details on auction design and financing conditions.AURES II:<ul style="list-style-type: none">Investigates auction design options in EU countries to determine policy performance and give recommendations.Communicates insights on the applicability, performance, and effects of specific auction designs, given various policy objectives.Provides tailor-made policy support for different types of auction applications and facilitates knowledge exchange between stakeholders.		<ul style="list-style-type: none">Ministry of Energy, Commerce and Industry		N/A	
Key activities					
<ul style="list-style-type: none">Utilise the AURES II database. With a liberalised electricity market, Cyprus will need to design an auction process.Request technical support from MEDREG – the Association of Mediterranean Energy Regulators can provide training and workshops and studies for members. Specifically, a technical study should be requested on how to appropriately design auctions for renewable energy in the newly privatised electricity market to assist CERA in designing new regulatory frameworks.					
Expected impact	2	Ease of implementation	4	Dependencies	
				73	

Initiative Area	Invest in the fundamental infrastructure required to underpin Cyprus's energy transition	Owner	Distribution System Operator (DSO)	Start	01/2023
Initiative ID: 75	Invest in smart upgrades for Cyprus’s electricity transmission grid			End	12/2023
Context		Indicative contributing stakeholders		<div>Indicative links to other national plans / strategies / studies</div> <div><ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.1, Investment 7, Page 128Cyprus’ Integrated National Energy and Climate Plan 2021-2030, Pages 88 & 148</div>	
<ul style="list-style-type: none">To support a liberalised electricity market, Cyprus must invest in a smart grid so that by 2025 it is able to:<ul style="list-style-type: none">Enable people to sell electricity back to the grid.Store sufficient electricity to better manage demand.Improve reliability and efficiency, with lower losses.		<ul style="list-style-type: none">European Energy Research AllianceCyprus InstituteMinistry of Energy, Commerce and Industry			
Key activities					
<ul style="list-style-type: none">Conduct a consultation with experts – engaging with the European Energy Research Alliance, for example, and the Cyprus Institute to develop an investment roadmap of the physical infrastructure and technology (i.e. sensors, meters, communications tech, storage capabilities).Boost smart meter uptake - increasing the uptake of smart meters is critical to optimising upgrading the potential of a smart national grid.<ul style="list-style-type: none">Mandate that all new homes and buildings must have smart meters.Set a target for electricity companies (i.e. as part of new licenses) that a certain percentage of customers must be connected with a smart meter, with tiered financial incentives that increase with the share of customers with smart meters.					
<div><div>Expected impact</div><div>3</div></div> <div><div>Ease of implementation</div><div>3</div></div>					
				Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				73	

Initiative Area	Invest in the fundamental infrastructure required to underpin Cyprus's energy transition	Owner	Ministry of Energy, Commerce and Industry	Start	09/2022
Initiative ID: 76	Invest in the critical infrastructure to support Cyprus's long term energy transition			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Capital investment is required in a number of key areas to facilitate Cyprus's long-term energy transition. In many cases, there exists clear business opportunities, both in the local market and also as a export, but to capitalise on these requires significant and risky long-term investments in the underlying infrastructure.This is where the government should intervene to provide initial capital outlays, either directly or through a public-private partnership through the creation of a public body for the purpose of driving investment.		<ul style="list-style-type: none">Ministry of Agriculture, Rural Development and EnvironmentMinistry of Transport, Communications and Works			
Key activities					
<ul style="list-style-type: none">Develop a strategy for private sector involvement following the investment to ensure the government reaps the benefits of investment. They must articulate potential business opportunities, through robust market studies and demand forecasting. These investment requirements should be clearly set out in detail in the energy transition strategy, and specifically in four broad areas:<ul style="list-style-type: none">Renewable diesel refinery<ul style="list-style-type: none">➤ Build a refinery to transform the used cooking oil, animal fats and other waste products into renewable diesel.➤ Commission a market study to demonstrate that sufficient raw materials exist in Cyprus and attract business interest. This should involve a survey of restaurants in Cyprus to understand volume and current waste procedures.➤ Provide incentives for a private company to run the refineries, for example mandating that large restaurants must store waste in a certain way to be collected for use in the refinery.Solar energy generation<ul style="list-style-type: none">➤ Invest in solar panels on public buildings – the public sector should aim to take the lead in widespread solar energy generation. Government procurement is a powerful tool for incentivising and driving the development of sectors, for example the manufacture of solar panel software and the development of solar panel installation and maintenance companies. By creating significant demand for panels on public buildings, the government can provide a boost to the sector, while at the same time actively contributing to energy targets and lowering its electricity costs.➤ Develop a framework for considering environmental factors in solar plant licenses and prioritise repurposing unused land into solar parks – there are a number of areas of former mining/quarrying and unused land in Cyprus that could be repurposed for solar parks while limiting the environmental impact of clearing land.➤ Invest in energy storage – this is critical for household net metering, to enable the development of smart grids and the selling of electricity back to the grid.Offshore and onshore wind<ul style="list-style-type: none">➤ Build on existing studies to conduct a comprehensive assessment of wind power as part of the energy transition strategy, with areas for government investment identified. As an island, Cyprus has potential for offshore wind generation – but there exist uncertainties around the amount of and reliability of wind. Wind power is a key cornerstone of the EU's Green Deal, however, and this should be further explored within the Cypriot context.Regional electricity interconnections<ul style="list-style-type: none">➤ Set out a clear timeline for the completion of the EuroAsia electricity interconnectors, connecting the electricity grids of Cyprus, Greece and Israel (and potentially Egypt). The government must ensure the necessary and timely smart upgrades to the Cyprus national grid to ensure the potential of the regional pipelines can be maximised.					
Expected impact	5	Ease of implementation	3	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Take action now to prepare for green hydrogen	Owner	Cyprus Hydrogen Association	Start	01/2029
Initiative ID: 77	Prepare and ensure Cyprus is ready for green hydrogen			End	12/2030
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Green hydrogen—produced through renewable resources such as solar and wind—holds significant promise in meeting the world’s future energy demands. In the long-term, hydrogen will play an increasing role in the EU’s energy mix. However, the economics of green hydrogen are challenging today, primarily because the underlying costs and availability of renewable energy sources vary widely.PwC analysis of the global green hydrogen market expects that:<ul style="list-style-type: none">Through 2030, hydrogen demand will grow at a moderate, steady pace through many niche applications across the industrial, transport, energy and buildings sectors.Through cross-sector collaborations, new alliances will form to develop hydrogen projects.Hydrogen production costs will decrease by around 50% through 2030, and then continue to fall steadily at a slightly slower rate until 2050.Export and import hubs will develop around the world, similar to current oil and gas hubs, but with new players in renewable-rich regions.The most attractive production markets for green hydrogen are those with abundant, low-cost renewable resources – this will include Cyprus under Vision 2035 as it accelerates it energy transition.Production costs will decrease over time, due to continuously falling renewable energy production costs, economies of scale, lessons from projects underway and technological advances. As a result, green hydrogen will become more economical.Specifically, PwC analysis estimates that the cost of green hydrogen could fall from €5-5.25/kg in 2020 to €3-3.25/kg in 2030, €1.75-2/kg in 2040, and to €1.5-1.75/kg in 2050.The challenge is anticipating those trends and acting in time. Investment and regulation needs to begin today to prepare and ensure Cyprus is ready to capitalise on opportunities and lower costs.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMinistry of Transport, Communications and WorksCyprus Employers and Industrialists Federation (OEB)Cyprus’ Natural Gas Public Company DEFA, the Electricity AuthorityResearch InstitutesUniversities		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Set out a vision for green hydrogen and the importance of developing renewable energy capabilities to underpin this. It must set out a national roadmap and strategy with targets and policies to get there. Throughout the process of preparing the strategy, public-private partnerships should be formed. They serve as a platform to exchange information to advance technological progress, create consensus, align views, develop incentives and coordinate activities. Public-private partnerships can reduce the risks during early deployment, facilitating the transition from demonstration to commercialisation. They allow companies to build experience while providing the benefits of first-mover advantage in case of success. The objective should be to reach a point where no further public support is needed.Commission an assessment of what investments are required to make the gas chain hydrogen ready – for example, making sure that pipelines are composed of the right materials to transport hydrogen, building underground storage facilities, and adapting end use infrastructure (i.e. manufacturing plants) to hydrogen.Prioritise the actions needed to close innovation gaps by identifying technology needs. A regular review of funding, progress and priorities should be part of the process. Since many of the hydrogen pathways needed over the long term are still in their early stages, policy makers should ensure the research agenda includes key demonstration projects to bridge the gap to commercialisation.Begin implementing pilot projects as soon as possible, to gain practical experience and capitalise on efficiencies through learning curves and scale effects on production equipment. Developing projects today is important to ensure continuous demand growth, which justifies the implementation of the required hydrogen infrastructure to meet future greenhouse gas reduction targets.Pursue hydrogen-supportive policies and create a regulatory framework that encourages investment in production equipment. Regulatory development should align to international standards. For Cyprus as an international shipping hub, this is crucial for alternative fuels. The regulatory framework—including subsidies, taxes and levies—has a huge impact on CapEx and OpEx, which can dramatically swing the economics of projects.Enable costs to decrease more rapidly and will enhance safety as a result of applying best practices, among other benefits for end consumers by applying international codes and standards. International standards make it possible not only to execute cross-border projects, but also to reap the benefits of learning-by-doing from foreign companies that design and construct the equipment.Include hydrogen supply and demand as a separate category in national energy balances (similar to electricity, fossil fuels or bioenergy) will allow better identification of energy flows and provide a solid basis for further analysis. Hydrogen is not currently included in national energy balances, because it is considered to be a chemical product.				Funding source	TBD
				Case studies	TBD
Expected impact		Ease of implementation		Dependencies	
3		2		N/A	

Initiative Area	Drive the widespread adoption of solar PV panels across businesses and households	Owner	Ministry of Energy, Commerce and Industry	Start	01/2023
Initiative ID: 78	Mandate solar PV panel installation on new and renovated building			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Given Cyprus's small size and the need to preserve natural areas, the future for solar in Cyprus is on maximising use of rooftops.As per the 'Regulation of the Energy Efficiency of Buildings 121/2020', Cyprus now mandates a minimum percentage of total primary energy consumption from renewable energy sources (as calculated based on the overall energy efficiency of buildings) at 9% for hotels and 25% for all other building types.		<ul style="list-style-type: none">Electricity Authority of CyprusTown Planning Department			
Key activities					
<ul style="list-style-type: none">Mandate that for new houses (which meet certain conditions) solar electricity panels must be installed, moving beyond the focus on solar heating systems. To phase this in, the mandate should focus initially on:<ul style="list-style-type: none">New residential property should install solar PV panels to ensure a minimum percentage of households' energy use is produced via solar energy. The government can make this possible by attaching this condition to lending made through the Housing Finance Corporation (Οργανισμός Χρηματοδοτήσεως Στέγης) and gradually extend this to all mortgagesResidential property associated with citizenship investment schemes should also install solar electricity panelsLarge commercial developments including retail space, malls and hotels, as the tourism sector is one of the biggest energy demanders in the island.Sign off new regulations (by the Town Planning Department) to ensure panels are not unsightly.					
Expected impact	3	Ease of implementation	4	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				TBD	
				Dependencies	
				N/A	

Initiative Area	Drive the widespread adoption of solar PV panels across businesses and households	Owner	Service of Industry and Technology, Ministry of Energy, Commerce and Industry	Start	07/2023
Initiative ID: 79	Incentivise households and businesses to accelerate adoption of solar PV panels			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.1. Investments 1 and 2. Pages 105-112Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 3. Pages 105-157	
<ul style="list-style-type: none">The Cyprus government has successfully used subsidies and grants to support households and businesses afford the upfront cost of solar panel installation. These financial incentives should be continued.The government can also consider providing other financial incentives to households and businesses directly to accelerate the rate at which progress is made.		<ul style="list-style-type: none">RES and Energy Conservation FundCyprus Energy AgencyMinistry of Finance			
Key activities					
<ul style="list-style-type: none">Incentivise households and businesses to accelerate adoption of solar PV panels. Some possible tools to investigate include the following:<ul style="list-style-type: none">Buy Down Programmes: Where cash incentives are used to encourage the installation of renewable energy technologies by 'buying down' the initial equipment costs.Loan Programmes: Government subsidised loans which are used to encourage the installation of solar energy technologies.Tax credits: These are income tax credit that are a deduction on the personal taxable income of homeowners. However, this is likely to be a less effective measure for Cyprus as already a large number of individuals do not pay income tax (threshold is relatively high).Take solar initiatives to the next level. The government should tie solar installation to grant funding; for example, in order to access funds (i.e. from EU grants), businesses must install solar panels. This could be an especially pertinent initiative given the expected funds available from the EU's Recovery and Resilience Fund related to the green agenda.Consider facilitating collective buying schemes, modelling on the Solar Together London example (see case study), where local businesses could aggregate to collectively purchase solar energy panels at a lower cost. This could be an especially useful incentive scheme in rural communities, for example agrotourism businesses and in agriculture, where energy demands are high but the typically small size of businesses makes long-term investments challenging.Complement any renewable energy initiatives with an education campaign, with online resources and advertisement to educate people on the cost savings and long-term economic and environmental benefits of making an initial investment in renewable energy. The new Deputy Ministry of Climate Action and Sustainability should create educational web pages, which explain the following:<ul style="list-style-type: none">The long-run financial and environmental benefits of renewable energy.Illustration of the expected cost savings.How selling electricity back to the national grid works and the benefits.					
Expected impact	3	Ease of implementation	3	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF).	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				<ul style="list-style-type: none">Solar Together LondonCalifornia's solar panel mandates (Appendix 4.2)	
				Dependencies	
				N/A	

Initiative Area	Bring international expertise, investment and R&D in the solar energy sector to Cyprus	Owner	Research and Innovation Foundation	Start	01/2022
Initiative ID: 80	Market Cyprus as a test bed for solar energy			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has significant untapped potential as a testing ground for new technologies, due to its size, its position within the EU, and its favourable and reliable climate.This untapped potential is perhaps most pertinent within the area of solar technology – given Cyprus’s abundant supply of sunlight.With a similar remit of the Investment Promotion taskforce, a small number of 2-3 individuals should be tasked with targeting companies to come to Cyprus to test new solar PV technology.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyCyprus Employers & Industrialists Federation (OEB)Solar Energy Experts			
Key activities					
<ul style="list-style-type: none">Position Cyprus as an ideal testing ground for solar energy technology development.Attend international conferences and seminars to directly meet companies, discuss their issues and challenges, and what they would need from policymakers to consider coming to CyprusDevelop a network of solar energy experts from Cypriot universities and the private sector, to provide prospective companies with the skills, people and facilities to conduct research and innovation in Cyprus, and the forum to discuss challenge, share data and evaluate resultsFocus on key challenges and research agendas – for example, bringing companies to Cyprus to test energy storage projects. These are essential to developing a smart grid. Offer contributions to R&D in these projects to further incentivise businesses to Cyprus.					
Expected impact	2	Ease of implementation	5	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">Singapore test bed for floating solar PV (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Bring international expertise, investment and R&D in the solar energy sector to Cyprus	Owner	Research and Innovation Foundation	Start	07/2022
Initiative ID: 81	Host an international conference in solar energy			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Using the launch of the new Deputy Ministry of Climate Action and Sustainability as a launch pad, policymakers, in collaboration with academia and business, should explore options for hosting an international conference in solar energy.This should build on the experience of the Cyprus Institute's International Conference on Climate Change and Solar Energy in 2018.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyCyprus Employers & Industrialists Federation (OEB)Solar Energy ExpertsMinistry of Energy, Commerce and Industry		N/A	
Key activities					
<ul style="list-style-type: none">Host an international conference in solar energy, which should aim to:<ul style="list-style-type: none">Present emerging research undertaken in Cyprus by universities and businesses, exploring key topics and challenges such as storage capacity and energy efficiency.Build on the positioning of Cyprus as the solar capital of Europe and aim to attract international investors and R&D activity by highlighting the research potential of Cyprus.Explore the key opportunity to host the EU's annual Photovoltaic Solar Energy Conference and Exhibition (EU PVSEC). This has been running since 1977 but never hosted by Cyprus. Given Cyprus's significant solar potential in the EU, Cyprus is a clear candidate for hosting the conference. Efforts to host should be a key pillar of marketing Cyprus as a test bed for solar energy technology and research and innovation.<ul style="list-style-type: none">The EU PVSEC is the largest international Conference for Photovoltaic research, technologies and applications, and at the same time a top international PV industry Exhibition.It gathers the global PV community to conduct business, to network and to present and discuss the latest developments and innovations in Photovoltaics.It is the world renowned science-to-science, business-to-business and science-to-industry platform with a full and only focus on the global PV Solar sector.The conference programme is coordinated by the European Commission's Joint Research Centre.The EU PVSEC has been running since 1977, hosted across the EU in countries like Spain, German, France and Italy. This year's conference will be held in Lisbon in September 2021. It has yet to be held in Cyprus – an EU country with one of the highest potential for solar energy generation.					
Expected impact	1	Ease of implementation	5	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	80

Initiative Area	Build broad political and public support for plans to achieve net zero	Owner	Department of Environment	Start	07/2022
Initiative ID: 82	Build broad political and public support for plans to achieve net zero			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">As international political pressure mounts, it will be increasingly important for countries to prepare for a greener future, by creating the right incentives to encourage companies to diversify their energy mix, reduce carbon footprints and invest in environmental technologies.Cyprus has a long way to go to achieve net zero, as evidenced by its relatively poor performance on key data, compared to other EU countries:<ul style="list-style-type: none">High levels of greenhouse gas (GHG) emissions per capita – 11.6 tonnes of CO₂ equivalent per capita, compared to 8.9 CO₂e for the EU27. The country is expected to miss EU greenhouse gas reduction targets by 25 p.p. in 2030.Transport is the most energy intensive sector in Cyprus, accounting for 40% of energy demandPrivate car use is significantly above EU average, while public transport makes up just 3% of total tripsMajority of buildings in Cyprus are constructed with little or no thermal insulation, resulting in significant energy inefficienciesThe inherent failure of governments around the world to act to mitigate against and adapt to climate change reflects the tragedies of the commons and horizons. These tragedies mean that private companies, financial institutions and individuals will not fully account for the impact of their actions on the climate. Catalysing a critical mass of private actions requires effective, predictable, and credible public policies. There are five key attributes of credible climate policy: political support, public support, transparency, consistency and track record.Tragedy of the commons: Occurs when individuals neglect the well-being of society in the pursuit of personal gain. This leads to overconsumption and ultimately depletion of the common resource, to everybody's detriment.Tragedy of the horizon: The misalignment of incentives between current and future generations to solve climate change. The impacts of climate change will be felt beyond the traditional horizons of most actors – for example, political cycles of 4-5 years, monetary policy horizon of 2-3 years, horizon for financial stability is around a decade.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMinistry of Transport, Communications and WorksCyprus Energy AgencyCommissioner of Citizens (Επίτροπος του Πολίτη)		N/A	
Key activities				Budget	
<ul style="list-style-type: none">Build cross-party consensus on climate change policy. Policies for reaching net zero will require committed and sustained political efforts over long periods of time. In order to address the time-inconsistency problem, the objective must be acknowledged by politicians across the political spectrum. Knowing that opposition parties are likely to maintain or implement similar policies gives businesses the certainty to invest in green infrastructure that has long economic lifespans. Cyprus must build cross-party consensus on climate change policy to ensure consistency and commitment to long-term change. Leaders in climate action have taken different approaches to building cross-party consensus.<ul style="list-style-type: none">Most ambitious of these approaches is Denmark's: a new law that legally binds governments to combat climate change, irrespective of political party. Every year, the Danish government will need to obtain a majority parliamentary approval of its global and national climate strategies. If unsuccessful, this may be cause for the government to step down.In the Republic of Ireland, a Joint Committee on Climate Change is appointed each time a new Dáil (lower house) comes into power. The Committee is comprised of members across political parties who meet regularly to develop expertise in climate change, scrutinise relevant draft legislation and the work of government departments, and advise on policy issues.In the UK, the relevant body is the All-Party Parliamentary Group for Future Generations, which is comprised of MPs across political parties. Its aim is to combat political short-termism in policies tackling long term issues, e.g. climate change and health trends. The Group runs speaker events and discussion roundtables, publishes research, and supports in network building.The range of options for building cross-party consensus should be explored by the proposed Deputy Ministry for Climate Action, the Environment and Sustainability.Run Citizens' Assemblies. A Citizens' Assembly is a group of people, brought together by the government, to discuss key issues – in this case, climate change. During Assemblies, members can learn about the issue at hand, discuss opinions and reach conclusions for what actions they believe should be taken. In particular, Citizens' Assembly are a useful platform for the voice of younger generations. As climate change is expected to have impacts lasting long into the future, it is important to urge policymakers to think about the impacts of climate change on future generations. The Assemblies should bring together a diverse group of people, representative of Cyprus's population – different ages, backgrounds, occupations and political parties. Organisers can recruit specialists – academics, researchers and industry leaders – to talk about their area of expertise. Through this, members are given the chance to listen to a broad and balanced evidence base on climate issues prior to discussing their different views. Key topics could include:<ul style="list-style-type: none">Timeline to achieve net zeroDisincentives, fines and punishments for behaviours which is at odds with the environment and the climatePaying for climate action, including taxes and financial incentives <p>Results should be written up in publicly-available report that should be presented directly to decision-makers in government. Citizens' Assemblies are widely used by governments around the world (e.g. Germany, Canada, France) to support their decision-making. For example, in the UK discussions in Citizens' Assemblies have been used to inform decisions about air quality, public transport, and adult social care.</p>				TBD	
				Funding source	
				N/A	
				Case studies	
				N/A	
				Dependencies	
				71	
Expected impact	3	Ease of implementation	3		

Initiative Area	Create transparency, consistency and a proven track record to build credibility	Owner	Ministry of Energy, Commerce and Industry	Start	07/2022
Initiative ID: 83	Create a world class website for Cyprus's Net Zero strategy			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The more that progress towards net zero is transparently and reliably reported, the more that authorities can be held to account. Credible climate policies therefore need to improve the transparency of their climate policymaking by:<ul style="list-style-type: none">Providing information in an accessible way – this is a challenge for climate policy given its inherent complexity and uncertainty. It is helpful to break climate policy into manageable themes, such as by sector or groups of society.Providing an objective assessment of the scale of the challenge and the effectiveness of measures – specific climate policies should be linked to estimates of the greenhouse gas reductions expected to be achieved, enabling people to grasp the tangible importance of their actions.Providing context – for example, education around the impact of climate change on Cyprus, the EU's Green Deal, and what other leading countries are doing – to help build the impetus for change.Credible policy frameworks make it clear that certain activities will not be viable in a net-zero world. This means an absence of contradictions regarding certain policies or sectors, such as subsidising fossil fuel companies while at the same time incentivising the development of the renewable energy sector. Policies need to work together in a complete and consistent package, removing any ambiguity on the direction of travel.A climate-policy track record is required to cement credibility. Just as in monetary policy and company performance, track records are built by identifying intermediate goals and evidencing achievement. Tracking and monitoring progress is another mechanism to hold policymakers to account for their long-term strategies.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyMinistry of Agriculture, Rural Development and EnvironmentCyprus Energy Regulatory Authority (CERA)Distribution System OperatorTransmission System Operator		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.1. Reform 3, Page 101Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 1, Page 30	
Key activities					
<ul style="list-style-type: none">Create a world class website for Cyprus's Net Zero strategy that can act as a platform for the following information:<ul style="list-style-type: none">Serve as a one-stop-shop for information on all government policies, incentives, schemes and fundsCreate online and simple application processes for such funds (i.e. households applying for solar panel subsidies)Be kept updated with recent news and events, and link in with key related documents from Vision 2035 and the EU Green and Blue Deals.Update the public, other government departments and EU authorities on Cyprus's progress to net zero.Construct a tracker for Cyprus's climate change targets and continuously update with developments to provide evidence that progress is being made.Provide official statements from the Deputy Minister of Climate Action, the Environment and Sustainability when targets are missed explaining why and what actions will now be taken to accelerate progressClear targets and KPIs that are regularly reportedTimeline of the implementation of policies (i.e. clear plan for the rising of carbon price)Educational resource for citizens and businesses to refer to, to limit their carbon footprintPartner with an independent non-profit organisation with expertise in assessing and accrediting climate change actions.					
Expected impact	2	Ease of implementation	5	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Provide clarity and certainty on key legislative and regulatory developments	Owner	Deputy Ministry for Climate Action, the Environment and Sustainability	Start	03/2022
Initiative ID: 84	Implement a credible, time consistent and committed climate policy framework			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are three key aspects of climate policy that businesses and investors in particular require clarity and certainty over and these are the: Carbon price, Regulation and EU's Green Deal.Carbon price: Meaningful carbon prices are a cornerstone of any effective policy framework. An explicit price for the right to emit greenhouse gases helps ensure that more sustainable businesses are not at an unfair disadvantage and encourages higher-carbon businesses to adjust. But to support an effective, orderly and fair adjustment, prices must rise in a predictable manner and they must be designed equitably – for example, using the proceeds to help low-income households adjust.Regulation: One of the key factors determining the speed at which companies transition to net zero is the extent to which they make green investments. In turn, this will be impacted by regulatory regarding new green technology. Investors and companies will need to have assurance and an understanding of the regulatory requirements of new technologies and solutions.EU's Green Deal: Businesses and investors need to have certainty that Cyprus's policy agenda is aligned to the EU's Green Deal. This is not only important to drive forward the private sector's transition, but more generally to give the private sector certainty that Cyprus's reputation will not be tarnished by climate inaction and fines.		<ul style="list-style-type: none">In the event that a Deputy Ministry for Climate Action, the Environment and Sustainability is not established, contributing stakeholders will be the Ministry of Agriculture, Rural Development and Environment, Ministry of Energy, Commerce and Industry and Ministry of Transport, Communications and WorksCyprus Energy AgencyCyprus Employers and Industrialists Federation (OEB)Universities - Cyprus Rectors' Conference		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Set up a Carbon Council: Determining the goals of climate policy, such as the commitment to reach net zero by 2050, requires democratic accountability and can only be done by elected governments. Governments can, however, delegate the calibration of the instruments that are necessary to achieve this target to 'Carbon Councils.' Delegating these responsibilities helps insulate decisions with significant long-term implications from short-term political pressures. It should be independent of the government, but be directly accountable to and report to the President of the Republic.Set up a Green Regulation Taskforce within the proposed new Deputy Ministry of Climate Action, the Environment and Sustainability. Its main objective should be to accelerate progress in designing and implementing new regulation for new products and technology of today and the future – for example, renewable diesel, lab grown meat, and green cement. The objective should be to ensure Cyprus remains at the forefront of global regulatory developments and rapidly pass legislation following other countries like Singapore. Specifically, the taskforce should:<ul style="list-style-type: none">Be comprised of a few key regulatory, legal and technology experts, who have a detailed understanding of EU and international regulationConduct systematic and regular reviews of regulation in other countries – specifically leaders like the US, Israel and Singapore. Their role should be to translate this international best practice into regulation for CyprusConsult with international regulatory expertsAdjust EU directives that are based on company size to account for the disproportionate amount of small and medium enterprises in Cyprus. Current directives are focused on large companies therefore mean that much of Cyprus's private sector is exempt from rules on important pillars of climate policy, such as reporting.Push standards on things like energy efficiency to EU best practice. Currently, Cyprus's regulations on building standards, for example, lag behind the EU. These should be pushed forward, with a clear timeline for when they will increase to give businesses time to prepare and individuals to adjust accordingly.				Funding source	TBD
				Case studies	N/A
				Dependencies	71
Expected impact	3	Ease of implementation		3	

Initiative Area	Support companies to measure, understand and reduce their impact on the environment	Owner	Ministry of Agricultural, Rural Development and Environment	Start	01/2024
Initiative ID: 85	Help companies understand their carbon footprint			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Businesses must first understand their baseline and how their current operations affect the environment. Disclosure can benefit companies in many ways. It helps businesses stay ahead of regulatory and policy changes, identify climate risks and respond to consumer and investor demands. Disclosing using a recognised standard, such as CDP, can also enable companies to track and benchmark progress, both through different years and against competitors.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryCyprus Energy AgencyCyprus Employers and Industrialists Federation (OEB)		<ul style="list-style-type: none">Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 3, Pages 105-157	
Key activities					
<ul style="list-style-type: none">Partner with international charities, for example the Carbon Disclosure Project, to help companies better understand their environmental footprints.Organise workshops, seminars and training for businesses around the importance of, and methodologies for, environmental disclosure: Responsible organisation for this activity could be the Deputy Ministry of Climate Action, the Environment and Sustainability.					
Expected impact	1	Ease of implementation	5	Dependencies	
				71	

Initiative Area	Support companies to measure, understand and reduce their impact on the environment	Owner	Ministry of Energy, Commerce and Industry	Start	07/2024
Initiative ID: 86	Incentivise and support companies to make climate pledges and design transition plans			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">It is an urgent imperative to make ESG (environmental, social and corporate governance) values a CEO- and Board-level mandate in large companies. Now, more than ever, companies are being held accountable not just by shareholders and investors, but also customers, employees, communities and others. Modern society wants businesses to not only deliver quality goods and services, but also do so while being conscientious of their environmental and social impacts.Focusing on the 'E' element, the more companies that make commitments to achieve net zero and turn these pledges into actions, the more the real economy and financial system will react and accelerate the transition.		<ul style="list-style-type: none">Department of Environment, Ministry of Agriculture, Rural Development and EnvironmentCyprus Employers and Industrialists Federation (OEB)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.1, Investments 1 and 4, Pages 105 and 119Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 3, Pages 105-157	
Key activities					
<ul style="list-style-type: none">Create awareness: Policymakers should build awareness of projects such as the Climate Pledge, which encourage businesses to formally sign a climate pledge. Climate pledges give companies tangible goals to work towards, as well as improving reputation and credibility, especially in a consumer climate that is increasingly demanding accountability for environmental impacts. Often, formal climate pledges also offer support to businesses through the network of firms which have signed.Create incentives: The government can incentivise companies to commit to ESG by tying procurement to ESG standards. This would mean that in assessing the bids of contractors, the government can increase the weighting of carbon-friendly and sustainable companies, alongside wider ESG goals of diverse workforces and transparent accounting methods.Create support: Provide educational resources and advice to companies to help them design a transition strategy and implement policies to move towards net zero. A combination of:<ul style="list-style-type: none">Provide free resources, case studies and example company actions on the Cyprus Net Zero website.Run workshops and seminars for businesses to learn about and share their own progress in designing and implementing a transition plan.Promote projects such as the SME Climate Hub, which is a global initiative to provide companies with the tools, guides and webinars to measure emissions and develop a climate strategy.					
Expected impact	2	Ease of implementation	3	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">The Climate Pledge (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Support companies to measure, understand and reduce their impact on the environment	Owner	Ministry of Energy, Commerce and Industry	Start	01/2024
Initiative ID: 87	Mandate and promote green certification for construction companies			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Certification criteria and quantifiable targets should be based on established and internationally recognised certifications, for example LEED (Leadership in Energy and Environmental Design) and BREEAM (Building Research Establishment Environmental Assessment Method).		<ul style="list-style-type: none">Ministry of Agricultural, Rural Development and EnvironmentDepartment of Town Planning and Housing, Ministry of InteriorUnion of Cyprus MunicipalitiesUnion of Cyprus CommunitiesCyprus Contractors Association Federation (ΟΣΕΟΚ)Cyprus Energy AgencyCyprus Scientific & Technical Chamber (ΕΤΕΚ)		N/A	
Key activities					
<ul style="list-style-type: none">Mandate and promote green certification for construction companies. Green building rating and certification systems require an integrated design process to create projects that are environmentally responsible and resource-efficient throughout a building's life-cycle: from siting to design, construction, operation, maintenance, renovation, and demolition.					
Expected impact		Ease of implementation		Dependencies	
3		4		N/A	

Initiative Area	Support companies to measure, understand and reduce their impact on the environment	Owner	Treasury of the Republic - Public Procurement Directorate	Start	07/2024
Initiative ID: 88	Set clear sustainability criteria in public procurement			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">This initiative aims in introducing green public procurement criteria and enable the professional procurers to have the required knowledge and expertise to support the transition to a greener and more innovative economy.The promotion of green public procurement is one of the areas that will include recommendations and list of best practices in order to facilitate the green transition.In addition, the proposed initiative is expected to support the green and digital transition and fully adhere to the “do no significant harm” principle.		<ul style="list-style-type: none">Law Office of the Republic of CyprusDepartment of Environment, Ministry of Agriculture, Rural Development and Environment		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 4, page 328	
Key activities					
<ul style="list-style-type: none">Set clear green/sustainability standards using established green certifications that companies should have to meet to be able to submit a tender for public construction projects. To be effective, Green Public Procurement (GPP) requires the inclusion of clear and verifiable environmental criteria for products and services in the public procurement process. The European Commission and a number of European countries have developed guidance in this area, in the form of national GPP criteria.					
Expected impact		4	Ease of implementation	3	
Budget					
TBD					
Funding source					
Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding					
Case studies					
N/A					
Dependencies					
N/A					

Initiative Area	Remove barriers to green innovation and transformation across the economy	Owner	Ministry of Energy, Commerce and Industry	Start	01/2024
Initiative ID: 89	Incentivise green investments			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Green innovation will be a driving force for tackling climate change. According to the EU's Green Deal, R&D in this area will play a central role in (i) accelerating and navigating the necessary transitions, (ii) deploying, demonstrating and de-risking solutions and (iii) engaging citizens in social innovation.		<ul style="list-style-type: none">Research and Innovation FoundationMinistry of Finance			
Key activities					
<ul style="list-style-type: none">Increase the support for businesses in developing green technologies or ways of working through financial incentives, for example through grants or funding services. One way to do this is to support businesses in applying funding available through the EU Green Deal, e.g. Horizon Europe. Specific contacts in DGEPCD should be assigned to deal with requests for information and support from companies regarding the Green Deal.Offer tax relief for green-related investments. In offering these tax incentives, the government should first review tax system and ensure that all incentives are aligned with sustainability goals. For example, if improving a commercial property's energy efficiency currently increases business rates this disincentivises property owners from renovating their buildings to be more energy efficient.Review the tax system for misalignments like the above, and adjust them to align with the green agenda.					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Remove barriers to green innovation and transformation across the economy	Owner	Council of Ministers	Start	01/2024
Initiative ID: 90	Establish a Rapid Licensing Council for Green investments			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The need for ambitious climate action is growing ever more urgent. However, obtaining licensing for green reforms and projects can often be a laborious and time-consuming process in Cyprus, requiring large amounts of documents and taking potentially years of processing time. This presents a significant barrier to implementation.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMunicipalities and CommunitiesCyprus Energy and Regulatory Authority (CERA)Cyprus Employers and Industrialists Federation (OEB)		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Support the implementation of green projects by establishing a Rapid Licensing Council.<ul style="list-style-type: none">This council will take charge of licensing requests for projects related to sustainability, e.g. new recycling points, diesel refinery, etc.An initial action of this Council would be to develop a set of conditions which projects must meet in order to qualify for rapid licensing. These conditions can be set for quality assurance and safety, among others.This council will be a pivotal force in the opening of Cyprus’s electricity market. In order to encourage competition, barriers to entry will need to be reduced. If Cyprus wants to cultivate a competitive and low-price electricity supply it must support the entry of new firms. Decreasing the bureaucratic process required or speeding up processing time are effective ways to achieve this.Electricity markets in other countries, e.g. the UK, have also launched ‘licensing lite’ options. These are specifically targeted to help new suppliers enter the electricity supply market. The option stipulates that new entrants need to have robust alternative arrangements in place for a third party licensed supplier to manage your code compliance in key areas, reducing barriers to entry.				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A
Expected impact	2	Ease of implementation	3		

Initiative Area	Remove barriers to green innovation and transformation across the economy	Owner	Cyprus Employers and Industrialists Federation (OEB)	Start	01/2026
Initiative ID: 91	Support partnerships between large companies and SMEs			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">A large part of what limits SMEs from undertaking comprehensive green transformation is a lack of know how.What is the current state of climate initiatives in Cyprus's businesses?<ul style="list-style-type: none">The Cyprus Employers and Industrialists Federation (OEB), in partnership with the Cyprus University of Technology and the Ministry of Agriculture, Rural Development and Environment, participates in Business4Climate.Business4Climate is a programme funded by the European Institute of Innovation and Technology, and is designed to promote sustainable behaviours in businesses. The concrete goal of the programme is to commit businesses to reduce their greenhouse gas emissions by 8% until 2030. Businesses are supported in developing an action plan for achieving this target.Other activities of the programme include free online lectures, the development of a methodology for identifying baseline greenhouse gas emissions, training on climate action, and identifying available financing schemes for emission-reducing projects.To date, there are 67 signatories of the Business4Climate project. Prizes are awarded each year to the businesses with the best performance in reducing emissions, as well as for cooperating with other businesses. <p>Source: Cyprus Employers and Industrialists Federation, Business4Climate.</p>		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMinistry of FinanceCyprus Energy Agency		<ul style="list-style-type: none">Smart Specialisation Strategy for Cyprus 2016-2020 - Chapter 12. Page 320	
Key activities				Budget	TBD
<ul style="list-style-type: none">Support SMEs by forging partnerships between large and smaller companies.<ul style="list-style-type: none">These partnerships would involve large businesses sharing their climate strategies and data with smaller businesses to guide them in designing and implementing transition plans.Encourage partnerships between large and smaller companies by offering financial incentives to large businesses, including corporate tax breaks.				Funding source	Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised.
				Case studies	N/A
				Dependencies	N/A
Expected impact	3	Ease of implementation	5		

Initiative Area	Educate and incentivise all people to live sustainable lives	Owner	Department of Environment	Start	01/2024
Initiative ID: 92	Educate citizens on how to lead sustainable lives			End	12/2024
Context		Indicative contributing stakeholders		<div>Indicative links to other national plans / strategies / studies</div> <div><ul style="list-style-type: none">Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 3, Page 127</div> <div>Budget</div> <div>TBD</div> <div>Funding source</div> <div>TBD</div> <div>Case studies</div> <div><ul style="list-style-type: none">Finland: Environmental education and the global Eco-Schools programme (Appendix 4.2)</div> <div>Dependencies</div> <div>75, 82, 83 & 94</div>	
<ul style="list-style-type: none">In a market ruled by supply and demand, sustainable individual decisions can have a big impact on the demand side of the equation. Making alternative consumer choices sends a strong signal to the market that people are willing to pay for zero-carbon alternatives. When enough people send that signal, policymakers, companies and investors respond.		<ul style="list-style-type: none">Ministry of Education and CultureMinistry of Energy, Commerce and IndustryCyprus Energy Agency			
Key activities					
<ul style="list-style-type: none">Incentivise sustainable decisions and ways of living by:<ul style="list-style-type: none">Making environmental education a mandatory part of the school curricula. This will provide the foundation for teaching citizens about the importance of sustainable living and how they can do so.Providing a list of individual actions on the Cyprus Net Zero website, with guidance and links and crucially, information on the positive impact of those actions.Promoting sustainable energy consumption by increasing the uptake of smart meters and investing in an energy comparison website that increases awareness of renewable providers.Encouraging participation in a Citizens Assembly and local community groups through national advertising and talks in schools and workplaces.					
Expected impact	3	Ease of implementation	3		

Initiative Area	Educate and incentivise all people to live sustainable lives	Owner	Ministry of Education and Culture	Start	01/2023
Initiative ID: 93	Promote green diets in schools			End	09/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Green eating means a healthy and sustainable diet that's good for your health and the planet. The UN defines sustainable eating as 'those diets with low environmental impacts which contribute to food and nutrition security, and to healthy life for present and future generations'.Research shows that red meat and dairy products generate the large amounts of carbon dioxide. Switching to a plant-based diet has been identified as one of the most effective ways to reduce our carbon impact on the planet.Cutting out, or cutting down, the amount of meat we eat is also good for our health. Figures suggest that eating 90g a day or more of red meat has been linked to bowel cancer and other conditions such as high cholesterol and heart disease.		<ul style="list-style-type: none">Ministry of HealthDepartment of EnvironmentThe Cyprus Dietetic & Nutrition AssociationPaediatric Society of CyprusCyprus Medical Association		<ul style="list-style-type: none">Farm to Fork Strategy 2020-2024 - Chapter 2.4, Page 14	
Key activities					
<ul style="list-style-type: none">Encourage children to develop healthy and sustainable eating habits through targeted campaigns across all education levels.Revise the current school food policy to increase the offering of vegetarian and plant-based meals. This will also help to target childhood obesity, which is a growing issue in Cyprus's population.Develop an action plan for introducing green eating in schools, with the goal of minimising the environmental impact of school meals, while still promoting nutritional diets. Green diets can be phased in through incremental stages – first by offering more green options alongside meat-based meals, and then by instating special vegetarian-only days, e.g. 'Meatless Monday' whilst at the same time ensuring protein intake is at recommended levels.					
Expected impact	1	Ease of implementation	5	Dependencies	N/A

Initiative Area	Educate and incentivise all people to live sustainable lives	Owner	Ministry of Agriculture, Rural Development and Environment	Start	01/2022
Initiative ID: 94	Endorse green volunteering opportunities			End	06/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">One way to get citizens directly involved making Cyprus a greener and more sustainable country is through volunteering. Different types of volunteering opportunities can be made available to suit people of different ages, abilities, skills and interests. For example, short event volunteering can include beach or park clean ups or tree planting. More longer term opportunities include placements with conservation groups, summer camps for young children and even appointments into a regular team such as park rangers or wildlife surveyors.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyCyprus Employers and Industrialists Federation (OEB)Cyprus Chamber of Commerce and Industry (CCCI)Green non-profit organisations (i.e. Friends of the Earth Cyprus, AKTI Project and Research Centre, Cyprus Marine Environment Protection Association, Terra Cypria, Let's Make Cyprus Green, etc.)		<ul style="list-style-type: none">Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 1, Pages 22, 25, 36 and 131	
Key activities					
<ul style="list-style-type: none">Support green volunteering through specific reforms such as:<ul style="list-style-type: none">Collate volunteering opportunities in a one stop shop website. This website should offer information on the conservations, nature reserves and parks currently operating in Cyprus. There should be a master calendar, which shares information on all the upcoming short events, summer camps and available placements. It should also share testimonials and success stories of personal volunteering experiences.Encourage workplaces to do volunteering days, or offer employees volunteering days off. This will support adults who are working full time to take advantage of volunteering opportunities. Public sector organisations and the civil service should partner with local green charities and non-profit organisations to set up a regular volunteering arrangement.Celebrate achievements in the volunteering and charity space. National and local governments can utilise social media and email updates to boost morale among citizens, helping them share in the pride of volunteering to support their country's nature and biodiversity.					
Expected impact	1	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Drive comprehensive carbon reductions in the built environment	Owner	Energy Service Department, Ministry of Energy, Commerce and Industry	Start	01/2023
Initiative ID: 95	Increase energy efficiency standards for new builds			End	09/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Reducing carbon emissions from the existing and future building stock is essential for Cyprus to meet EU Green Deal targets. Regulations for efficiency standards for new builds can be key to driving this change if they are revised to be more ambitious.		<ul style="list-style-type: none">Department of Town Planning and Housing, Ministry of InteriorDepartment of Environment, Ministry of Agriculture, Rural Development and EnvironmentCyprus Scientific & Technical Chamber (ETEK)			
Key activities					
<ul style="list-style-type: none">Set out a plan for increasing energy efficiency requirements for new homes. The requirements should cover, among others:<ul style="list-style-type: none">Minimum insulation and air tightnessBuilding design and orientationApproved materials for the construction of walls, roofs, floors and windowsThe specifications should be increased in a predictable and clear way to the EU frontier.Enforce the transposed legislation for the Energy Directive. Specifically this means enforcing the upgrading of central government building by at least 3% per year (based on floor space). This applies to all central government buildings including schools and also hospitals. The government should urgently upgrade the same buildings for the retrospective inaction in doing so since 2014.					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). .
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Drive comprehensive carbon reductions in the built environment	Owner	Energy Service Department, Ministry of Energy, Commerce and Industry
Initiative ID: 96	Invest in retrofitting buildings with energy efficient construction		
Context		Indicative contributing stakeholders	
<ul style="list-style-type: none">Prior to Cyprus' accession to the European Union, legislation and regulations governing energy performance of buildings were limited. This means a high share of the current built environment have low energy efficiency. High potential for energy saving lies in retrofitting these buildings with energy efficient solutions.¹ <p>¹ Menicou et al., An economic analysis of Cyprus's residential buildings' energy retrofits potential, International Journal of Sustainable Energy, 2013.</p>		<ul style="list-style-type: none">Ministry of FinanceRES and Energy Conservation FundCyprus Energy AgencyDepartment of Town Planning and Housing, Ministry of InteriorCyprus Energy AgencyCyprus Scientific & Technical Chamber (ETEK)	
Key activities			
<ul style="list-style-type: none">Invest in large scale retrofitting of buildings which are not up to modern day energy efficiency standards.Set up an action plan that covers, among others:<ul style="list-style-type: none">The identification of priority buildings – which buildings are consuming the most energy, are most used, or would be the easiest to upgrade?The identification of buildings where demolition or rebuilding may be preferable (i.e. where thorough renovations are only marginally cost-effective)Creation of a fund or grant for basic improvements that would be simple for households or local handymen to perform themselves e.g. such as attic insulation and weather-stripping doors and windows. The government should offer VAT cuts for households spending on green home improvements.Consider including ESG criteria in the assessment of procurements of contractors to ensure that construction, renovation and demolition practices are in line with wider goals for sustainable and inclusive growth.Encouraging the industry to move into renovating and retrofitting buildings with green credentials rather than demolishing and constructing from scratch though:<ul style="list-style-type: none">Retrofitting buildings for green improvements: Retrofitting roofs walls, windows and doors to improve energy efficiency, Connecting renewable energy generation, such as solar panels to roofs.Building core infrastructure for the green revolution: Renewable energy: construction of solar parks, offshore wind parks, renewable diesel refinery, hydrogen infrastructure, regional electricity pipelines. Cyclical economy: building local and national recycling plants.Support the regeneration of rural areas: Renovating unused or repurposing buildings and homes, for example in the agrotourism sector. Building new infrastructure, such as restaurants and schools in rural areas to grow the rural economy.Promote the liveability agenda: Improving the aesthetics of buildings (i.e. exterior improvements). Building more parks and green spaces. Construction of new vocational schools. <p>The role for policymakers to encourage the industry to move into renovating and retrofitting buildings is to:</p> <ul style="list-style-type: none">➤ Digitise construction permits: A proficient deployment of IT not only reduces the costs of approval processes, but also enables regulators and practitioners to cope with increasingly complex building standards and additional policy objectives (such as those related to energy efficiency). Particularly promising in this context is the development of BIM-based software tools that are capable of automating the verification of building-code compliance. Building plans often need to be approved by multiple different agencies. To coordinate their efforts better, and to increase the speed and convenience for permit seekers, regulators should establish 'single window' systems and one-stop centres that combine the required competencies under a single roof and commit to specific timelines for approval.➤ Set building codes and standards to EU best practice according to the Eurocode harmonized methodologies for design and calculation for construction projects in the EU. Provisions must be updated regularly. Building codes and standards need to be adaptable and appropriately reflect economic, societal and technological change. This regular updating is particularly important in the light of growing environmental concerns and the emergence of new digital tools such as BIM.➤ Create incentives for greater digitalisation in the sector. For example offering tax incentives (similar to those for R&D) to companies who invest in new technology (such as drones) to ensure the sector keeps pace with technological developments in the world. The use of building information modelling systems and increased automation are key to the adoption of circular opportunities and better resource use.➤ Modernise teaching. Refresh the course content of vocational courses in construction to ensure students are learning the most up to day techniques and technologies.➤ Consult with the sector on regulatory design of transformative future technologies and green revolutions. While processes like green cement are still very much in their infancy, the Cypriot authorities should ensure they are ready to adopt regulation when they become cost effective through regular consultation with industry experts to understand the implications for things like building codes and standards.➤ Mandate and promote green certification for construction companies. Certification criteria and quantifiable targets should be based on established and internationally recognised certifications, for example LEED (Leadership in Energy and Environmental Design) and BREEAM (Building Research Establishment Environmental Assessment Method).➤ Set clear sustainability criteria in public procurement. Using established green certification, policymakers should set clear green/sustainability standards that companies should have to meet to be able to submit a tender for public construction projects.➤ Promote knowledge transfer. Few construction companies have institutionalised knowledge transfer processes, meaning past experience is lost. A related issue is weak project monitoring, with a lack of data collection and analysis. Policymakers can assist by 1) providing business management training, 2) promoting case studies online, such as on the website of the Cyprus Land and Building Developers Association, and 3) providing financial incentives for demonstration projects involving new technologies and processes.			
Expected impact	5	Ease of implementation	2

Initiative Area	Drive comprehensive carbon reductions in the built environment	Owner	Ministry of Interior	Start	01/2024
Initiative ID: 97	Promote partnerships between the finance sector, academia and non-profit organisations to develop a market to finance net zero transition in the built environment			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Significant investment is required to achieve comprehensive carbon reductions in the built environment. While government funding and investment can act as the jump start, a more sustainable and market-led approach to financing will help support a wider range of initiatives in the long term.		<ul style="list-style-type: none">Association of Cyprus BanksCyprus Contractors Association Federation (OΣEOK)Cyprus Energy AgencyCyprus Scientific & Technical Chamber (ETEK)Cyprus Rectors’ Conference		N/A	
Key activities					
<ul style="list-style-type: none">Seek to build partnerships between the finance sector, academia and non-profit organisations to develop a market to finance net zero transition in the built environment. Members can work together to develop and discuss enabling policies, regulations and data sets required to accelerate investment in this area. The coalition should seek to recruit members that are leading experts in their fields. By encouraging evidence-based debate, the partnership of experts can be used to evaluate the latest and most innovative methods of financing green projects used internationally, such as building renovation passports and Property Assessed Clean Energy (PACE) financing. Conclusions can be published in public-facing reports, as well as presented to relevant government departments. An example of this being done successfully is the government backed Coalition for the Energy Efficiency of Buildings (CEEB) in the UK (see adjacent case study).					
Expected impact	2	Ease of implementation	3	Dependencies	N/A

Initiative Area	Drive comprehensive carbon reduction in the built environment	Owner	Ministry of Interior	Start	07/2023
Initiative ID: 98	Set building codes and standards to EU best practice according to the Eurocode harmonized methodologies for design and calculation for construction projects in the EU			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Building codes and standards need to be adaptable and appropriately reflect economic, societal and technological change.This regular updating is particularly important in the light of growing environmental concerns and the emergence of new digital tools such as BIM.		<ul style="list-style-type: none">Cyprus Scientific & Technical Chamber (ETEK)Cyprus Contractors Association Federation (ΟΣΕΟΚ)		N/A	
Key activities					
<ul style="list-style-type: none">Set building codes and standards to EU best practice according to the Eurocode harmonized methodologies for design and calculation for construction projects in the EUUpdate provisions regularly					
Expected impact		Ease of implementation		Dependencies	
3		4		N/A	

Initiative Area	Drive comprehensive carbon reductions in the built environment	Owner	Ministry of Energy, Commerce and Industry	Start	07/2023
Initiative ID: 99	Enforce the EU Efficiency Directive			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Certain aspects of the EU's Efficiency Directive (which has been transposed into national law) is not being implemented.This is not in keeping with Cyprus's Vision 2035 and will result in energy waste, ultimately leading to consumers using their disposable income, and businesses dipping into their cash reserves to cool up or heat their premises. This is not sustainable and doesn't lead to a low-carbon economy.		<ul style="list-style-type: none">Ministry of Interior		N/A	
Key activities					
<ul style="list-style-type: none">Enforce the EU Efficiency Directive. In practice, this means that:<ul style="list-style-type: none">Large corporates in Cyprus have to conduct energy audits every four years. This requirement should be enforced consistent with the provisions of the law.Homeowners and businesses are obliged to build new buildings using minimum energy performance standards. Government should issue the certificate after the buildings are built by carrying out inspections on site, in a similar way inspections happen when an electricity connection is made to new buildings.Anyone renting buildings (residential, commercial etc.) should be notified of the energy certificate of the structure. This aspect of the law is not currently being enforced.					
Expected impact	3	Ease of implementation	3	Dependencies	N/A

Initiative Area	Drive electrification within the transport sector	Owner	Ministry of Transport, Communications and Works	Start	01/2023
Initiative ID: 100	Support the move to electric vehicles by investing in solar powered charging infrastructure			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Moving to electric cars will not contribute to Cyprus's transition unless the electricity that powers the cars comes from renewable energy sources. Solar can be used to accelerate the transition to electric vehicles by making electricity greener – and cheaper. Currently, a large part of Cyprus's electricity supply is sourced from non-renewable sources. Solar-powered charging infrastructure would be a step in the right direction for transitioning Cyprus's electricity market to become more sustainable and affordable.Solar offers the highest power generation capacity during the day and traditional working hours, so would be of most use to commuters who travel to work by car and park their vehicles outdoors.		<ul style="list-style-type: none">Cyprus Energy AgencyMinistry of Energy, Commerce and IndustryElectricity Authority of Cyprus/ Distributor System Operator (DSO)Transmission System Operator of Cyprus (TSOC)RES and Energy Conservation FundMinistry of Finance		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.2, Investments 2 and 3 and Reform 3, Pages 157, 160 and 162	
Key activities					
<ul style="list-style-type: none">Support the move to electric vehicles by investing in solar powered charging infrastructure such as locating charging facilities in public and commercial buildings or outdoor car parks. Specific policies for this should include:<ul style="list-style-type: none">Amend building or planning regulations to ensure that new developments with parking have charging points. Authorities can prioritise large development project first including large retail and commercial spaces followed by residential developments.Encourage municipalities to set up a medium-term strategy on the target number, location and distribution of electric charge points. Once approved, achieving these targets could be linked with cash bonuses from the central government to the municipalities.Design and create a government mandated user-friendly electronic map to indicate areas where charging stations exist and whether they are in use or not. This should be compatible with third party platforms including Google Maps.Incentivise households and businesses to go electric, once the enabling infrastructure is in place by:<ul style="list-style-type: none">Ban internal combustion engines by 2035: Cyprus should ban the sale of new and imported second-hand passenger and commercial vehicles with internal combustion engines by 2035. However, the government should be careful to ensure that lower income households are not disproportionately disadvantaged by the ban. Additional support, e.g. scrappage scheme below, and lower cost options for green transport should be made available to them with a reasonable time and income cutoff point.Offering scrappage schemes: Older, less energy efficient vehicles should be progressively phased out. The government can help businesses and households scrap their vehicles by offering scrappage grants. The scheme should cover all types of vehicles, e.g. cars and motorcycles, vans and minibuses, and heavy vehicles. Eligibility of heavy vehicles is particularly key to incentivise firms heavily reliant on transport, e.g. shipping companies, to upgrade their fleets. These schemes should be targeted by income.Offer 'green' license plates: Special license plates should be offered to owners of electric vehicles. These license plates will provide benefits such as parking discounts and potentially bus lane access. A key consideration for this reform is that benefits should be time limited, e.g. to the first year or two of owning the EV. This is to ensure exclusivity and novelty even once EVs become the mainstream option for private cars.Target rental car and taxi companies: The government can encourage taxis and rental car companies to upgrade their fleets to electric vehicles by offering financial incentives such as tax relief and targeted funding for both scrappage of old fleets and buying new electric vehicles. This will help mitigate carbon emissions originating from tourist car use – simultaneously improving the sustainability of both the transport and tourism sectors. This can be done in conjunction with a specific manufacturer in mind.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">Solar sector in GermanySolar sector in Israel (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Encourage alternative modes of transport and develop the public transport network	Owner	Public Works department (PWD)	Start	01/2024
Initiative ID: 101	Emphasis should be on improving public transport and maintaining existing road network (and not on building new roads)			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Uptake of public transport in Cyprus is very low – making up just 3% of all trips taken in 2020. In order to transition to a sustainable and green transport system, Cyprus must improve this and encourage more of its citizens to use public transport regularly.		<ul style="list-style-type: none">Ministry of Transport, Communications and WorkMinistry of Finance			
Key activities					
<ul style="list-style-type: none">Re-allocate around 50% of spending on capital infrastructure to public transportation investments. Rather than continuing to invest in roads and highway projects, the government should divert its attention to improving its public transport system, possibly including a light rail tram line connecting Nicosia to other cities. In drawing up its transport budget for the coming years, the Ministry of Transport, Communications and Works must consider whether its investments align with Vision 2035 and its objectives of a greener transport system.Encourage the use of bicycles through incentives, focusing on the younger population first. This is expected to create the momentum needed to embed cycling in the Cypriot culture and way of living and be adopted by the wider population. Incentives to promote cycling should go hand-in-hand with investment in the development of cycling lanes.Identify strategically and forecast public transport needs. As part of the proposed new national zoning plan, public transport should be critically evaluated to better align routes with travel to work needs. Specifically, bus routes, park and rides, and bicycle spaces need to be built to connect residential areas with business areas, including the proposed new business parks.Mandate the regular maintenance of bus stops and public transport terminals. The usability and cleanliness of these facilities can heavily influence whether or not they are used by the public. In addition, stops and terminals which are currently difficult to access should be redesigned and updated to accommodate persons with disabilities.Improve monitoring and enforcement in the use of public transport. The government should invest in CCTV on bus lanes, bus stops, frequently used streets and also on buses themselves. The footage can be used to enforce fines for illegal parking on street and misuse of bus lanes. Furthermore, this will help commuters and travellers feel more secure in using the public transport system.					
Expected impact	4	Ease of implementation	3	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Encourage alternative modes of transport and develop the public transport network	Owner	Public Works department (PWD)	Start	01/2024
Initiative ID: 102	Promote cycling as an alternative to private cars			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cycling is not only one of the greenest modes of transport available – it is also beneficial to the health and more affordable than most other modes. As a small island with relatively short distances between amenities, residential areas and business spaces, the government should promote the use of bicycles as a commuter vehicle.What is Cyprus currently doing to promote cycling?<ul style="list-style-type: none">In March 2021, Transport Minister Yiannis Karousos unveiled a €4 million plan of action for promoting cycling as an alternative form of transport to cars.The €4 million scheme covers the period from 2021 to 2023, and provides for:<ul style="list-style-type: none">The construction of bicycle lanesReduction of the speed limit to 30 km/h in neighbourhoods, town centres and other special interest areasTraffic arrangements including appropriate regulation of traffic lightsCar-free SundaysRental of electric bicycles on favourable termsFree transportation of bicycles on public transport vehiclesMap of cycling infrastructure available on mobile applicationsCovered and secured bicycle ranksChanging rooms in government buildingsIn cooperation with the Department of Town Planning and Housing, changing rooms and shower facilities will be promoted for workplaces, malls, hotels, etc.A 'Climate Neutrality' certificate for businesses that promote the use of bicycles by building the relevant facilitiesIncentives and subsidies to buy new bicycles and repair old bicyclesA Bike2Work website, which brings all information on cycling in Cyprus together, including free lessons on the traffic code and correct use of bicyclesThe purchase of 100 electric bicycles for use by state services		<ul style="list-style-type: none">Ministry of Transport, Communications and Work		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.2, Investment 1, Page 149Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 3, Page 131	
Key activities				Budget	
<ul style="list-style-type: none">Invest in bike lanes. Individual perception of safety can be a major determinant behind a person's decision not to cycle. Novice or casual cyclists, in particular, may hesitate to cycle on main roads alongside motor vehicles. In order to encourage people to take up cycling as more than a recreational activity and to actively use it as a daily commuting vehicle, Cyprus should invest in expanding its bike lane infrastructure. While commuting lanes should be a top priority, the government can also look at investing in scenic routes which may become popular tourist attractions.Promote cycle to work schemes. Cycle to work schemes allow employees to purchase bicycles and cycling accessories through their employer. The cost of the purchases would normally be spread out over the financial year, and be taken out of the employees' pre-tax income.Promote community cycling events, for example bicycle races or tours. The main target for these cycling events should be families. This is to encourage children and teenagers to be exposed to cycling from a young age. Building confidence in the younger generation to cycle frequently and around other people and other vehicles can help prepare them to use cycling as their mode of commuting in the future.				Funds secured through the Recovery and Resilience Fund (RRF)	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	
Expected impact	2	Ease of implementation		2	

Initiative Area	Encourage alternative modes of transport and develop the public transport network	Owner	Ministry of Transport, Communications and Work	Start	01/2030
Initiative ID: 103	After 2030, the authorities in Cyprus should consider a London-type congestion charge for ICE cars in urban areas			End	06/2030
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus is one of the countries with the highest per capita number of vehicles. This in turn is reflected in mainly urban areas, where traffic is increasingly unbearable.The transition to electric vehicles should help with the noise and air pollution situation. However, this needs to happen at an adequate pace and the banning of sales of cars with internal combustion engines (ICE) by 2035 will not be enough.		<ul style="list-style-type: none">Department of Town Planning and Housing - Ministry of Interior		N/A	
Key activities					
<ul style="list-style-type: none">Move in a phased manner towards a situation where it considers imposing a London style congestion charge for ICE cars in urban areas. A potential phased approach could resemble the following:<ul style="list-style-type: none">Establish ‘No cars on Sundays’ for the high streets in the major cities for Cyprus. For example, for Nicosia, this could involve the Makarios III avenue down-town and some of the affiliated streets. This could be applied for every other Sunday to start off with and then applied for each and every SundayEnsure that large commercial vehicles can only enter the city centres in certain times of the day (e.g. after working hours) to restock the commercial premises or carry out other work.Set up the infrastructure to monitor the entry of cars at predetermined points in the urban areas. London, for example, has seamless infrastructure to do this and its model has been copied around other leading centres of the world.Impose a London style congestion charge for pre-determined hours of every single day for every week. Residents of the areas where the congestion charge is applied should incur a hefty discount (e.g. 95%) from the charge. Also, the proceeds from this charge should be re-invested by law into public transport.These measures should be taken using a holistic approach. For example, the masterplans and planning permissions system for housebuilding and commercial premises needs to be adhered to and strictly enforced, else there will just be a migration of commercial premises outside the city centre, which is not the intention of this policy. At the same time there should be more strategic thinking on the location of parking spaces around the main Cypriot cities.					
Expected impact		Ease of implementation		Dependencies	
2		3		N/A	

Initiative Area	Encourage alternative modes of transport and develop the public transport network	Owner	Ministry of Transport, Communication and Works	Start	01/2026
Initiative ID: 104	Consider ambitious mass transport systems (trains, underground) only after exhausting all other options			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Strategic Plan of Ministry of Transport, Communication and Works 2021-2023 - Activity 3, Page 9Cyprus' Integrated National Energy and Climate Plan 2021-2030 - Chapter 3, Pages 123, 132, 37, 34, 26 and 81.	
<ul style="list-style-type: none">Currently, uptake on mass and alternative transport systems is low. The most economically efficient way to decrease road traffic, emissions and noise is to encourage mass and alternative transport systems first and then once these modes of transport are saturated consider alternative measures.There is a natural temptation to think that big vanity projects e.g. train lines, underground train systems and trams will forever solve Cyprus's issues with traffic. This line of thinking is wrong and could and, at worst, will lead to vast amounts of public money being squandered.The most economically efficient way to decrease road traffic, emissions and noise is to encourage mass and alternative transport systems first and then once these modes of transport are saturated consider alternative measures.		<ul style="list-style-type: none">Union of Cyprus MunicipalitiesUnion of Cyprus CommunitiesDepartment of Town Planning and Housing			
Key activities					
<ul style="list-style-type: none">Encourage actively and consistently the use of buses, car sharing schemes and bicycle riding schemes. Doing so will mean that these modes of transport will probably alleviate issues with respect to road traffic, emissions and noise levels for at least the next decade in Cyprus. More importantly it will bring about a change in the habits of Cypriot citizens (and less so to the visitors in Cyprus who, in some cases (e.g. Paphos) use mass transport systems like buses) which is the fundamental issue. Only if these conditions have been met should the Cypriot authorities start to think about more ambitious mass transport projects. More specifically:<ul style="list-style-type: none">Between cities: Develop park-and-ride centres at the outskirts of cities and encourage the use of intercity buses.Within cities: Encourage the use of bicycles (please refer to ID101). Also, allow car sharing companies to operate in Cyprus and promote car sharing schemes especially during peak hours.				Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	
Expected impact		4	Ease of implementation	2	

Initiative Area	Invest in the development and application of smart cities	Owner	Deputy Ministry of Research, Innovation and Digital Strategy	Start	01/2022
Initiative ID: 105	Develop an action plan to develop smart cities in Cyprus			End	09/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Smart cities use technology to drive green and inclusive transformation in transport systems, buildings and communication networks.Cyprus is currently in the process of developing an action plan to develop smart cities. The action plan should provide a full strategic and practical scheme to implement smart city policies and reforms, such as the ones described in further detail below. The plans should give information on the financial resources needed, the targets and goals for each recommendation/project and the people or departments responsible for their implementation. It can be based around the United Nation's Key Performance Indicators for Smart Sustainable Cities. The plan can be used by local authorities to prioritise and organise their work and identify the financial sources to implement the planned projects.		<ul style="list-style-type: none">N/A		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Investment 5, Page 342	
Key activities					
<ul style="list-style-type: none">Plan for seamless transfers between different modes of transport. In setting timetables, there should be central oversight over the timings of services across different transport operators that ensures that connections are timed appropriately. In practice, this will also involve dynamic, synced timetables that are updated in real time for any delays or accidents in the transport network.Develop applications for buses and other public transport modes. These applications should provide real time information on timetables and available transfers between different modes of transport. To support the tourism industry, the application should highlight modes of inter-city transport, and from airports to common tourist sites.Develop a digital twin. A digital twin refers to a digital replica of potential and actual physical assets, processes, people, places, systems and devices that can be used for various purposes. It can allow businesses and policymakers alike to model and simulate new ideas and innovations in a controlled setting. Making best use of this tool could be a key asset to ensure that the pace and scale of even the most novel, trailblazing interventions are calibrated to the right level for Cyprus's current context.Build smart cooling centres. These should be developed as multipurpose centres which offer the public a refuge during heatwaves. Energy consumption in these cooling centres should be managed by smart grid capabilities. During non-summer months, the centres should be repurposed for other community events.Invest in smart grid technology. A smart grid allows energy suppliers to respond digitally to quickly changing electric demand. Benefits of smart grids include more efficient transmission of electricity, reduced peak demand, better integration of renewable energy systems, and better resilience against power disturbances. Efforts to develop smart grid capabilities should be linked with ongoing efforts for the Euroasia Interconnector.Encourage the use of smart meters in households and business premises. Smart meters measure how much energy is being used in real time. They automatically calculate what the energy costs and display this on an electronic display fitted into homes or business spaces. This can help households and business owners make more informed decisions about how they are using energy, and can encourage them to reduce their overall energy consumption.Invest in the wide-scale deployment of 5G communication networks. Upgrading to 5G would support individual, corporate and government communications, enhancing mobile broadband speed and stability, supporting reliable low latency communication and improving data security, massive machine-type communications and power efficiency.¹Invest in the rollout of free public wi-fi. Public wi-fi benefits a wide range of stakeholders, from businesses to students to commuters. It will be especially key for any cities that endeavour to become hubs for business activity. It will also help to attract tourists from outside of the EU, who would otherwise have to pay high roaming charges to use their mobile data.					
Expected impact		3	Ease of implementation	3	
Dependencies					
N/A					

Initiative Area	Lay the foundations for progress in hard to abate sectors	Owner	Ministry of Agriculture, Rural Development and Environment	Start	01/2023	Indicative links to other national plans / strategies / studies
Initiative ID: 106	Reduce and eventually eliminate emissions from so called ‘hard to abate’ sectors			End	12/2024	
Context		Indicative contributing stakeholders		Budget		
<ul style="list-style-type: none">To reach a fully decarbonised economy, we must also reduce and eventually eliminate emissions from so called ‘hard-to-abate’ sectors. For Cyprus, the main heavy industry is cement and heavy duty transport like shipping and aviation.Recent research by the Energy Transitions Commission has focused on how to decarbonise, for example, see the Figure on the previous slide on the cement sector. The technologies required to decarbonise already exist, but several still need to be market ready and achieve commercial viability.The transition will not be achieved unless policymakers, investors and businesses jointly take immediate and forceful action to transform economic systems through 6 innovation areas:<ul style="list-style-type: none">Electrification: Cheaper and more efficient batteries, electric furnaces for cement and chemicalsHydrogen: Cheaper fuel and long-distance transport of hydrogenBiochemistry: Increase efficiency in biomass transformation, synthetic chemistryMaterials efficiency and circularity: New designs for consumer products, recyclingNew materials: Low carbon cement, substitute fibres for plasticCarbon capture and use: More efficient capture especially in cement		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryMinistry of FinanceResearch and Innovation Foundation (RIF)		N/A		
Key activities				Funding source		
<ul style="list-style-type: none">Ensure that Cyprus remains abreast of developments to decarbonise hard-to-abate sectors. Therefore, policymakers should:<ul style="list-style-type: none">Develop an efficient and pragmatic approach to carbon pricing that incentivises improved energy efficiency, supply-side decarbonisation and demand reduction. Differentiated prices by sector can help drive change in hard-to-abate sectors. Prices should also be applied to the lifecycle of carbon emissions of consumer products, rather than production processes to limit carbon leakage between sectors and regions.Tighten regulation regarding energy efficiency, sustainability standards (i.e. low carbon fuels), green fuel mandates (i.e. requiring airlines and ship operators to use a rising percentage of zero-carbon fuels), and labelling (i.e. carbon intensity, traceability of the source).Support deployment of new technology: fund pilot projects to test new technologies and bring them to market in Cyprus. Provide facilitating finance through loan guarantees or reimbursable advances, and use public procurement to create demand for low carbon products and services.Support companies to develop a decarbonisation roadmap: Connect with international experts and organisations to advise companies in developing a transition plan.Encourage cross-sectoral partnerships to develop demand for low/zero-carbon products (e.g. partnership between airlines, airports and travel agencies to develop a zero-carbon flight offer) and to support materials circularity (e.g. partnership between steel producers and manufacturers to improve collection rates and quality of steel scrap).				TBD		
Expected impact	3	Ease of implementation	2	Case studies		
				N/A		
				Dependencies		
				N/A		

Initiative Area	Lay the foundations for progress in hard to abate sectors	Owner	Ministry of Energy, Commerce and Industry	Start	03/2023
Initiative ID: 107	Consult with the construction sector on regulatory design of transformative future technologies and green revolutions			End	09/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">While processes like green cement are still very much in their infancy, the Cypriot authorities should ensure they are ready to adopt regulation when they become cost effective through regular consultation with industry experts to understand the implications for things like building codes and standards		<ul style="list-style-type: none">Ministry of Agricultural, Rural Development and EnvironmentDepartment of Town Planning and Housing, Ministry of InteriorCyprus Scientific & Technical Chamber (ETEK)Cyprus Contractors Association Federation (OΣEOK)Research and Innovation Foundation (RIF)		N/A	
Key activities					
<ul style="list-style-type: none">Consult with the construction sector on regulatory design of transformative future technologies and green revolutions. Green technology makes buildings more energy-efficient and sustainable, so they have a lower carbon footprint and a reduced impact on the environment. Builders, building owners, and tenants all realise considerable benefits from the application of green construction technology. Some of the top sustainable construction technologies currently used in green construction are solar power, biodegradable materials, green insulation, the use of smart appliances, cool roofs, sustainable resource sourcing, low-energy house and zero-energy building design, electrochromic smart glass, water efficiency technologies, etc.					
Expected impact	2	Ease of implementation	4	Dependencies	
				N/A	

Initiative Area	Arm the financial sector with the capabilities to fund the transition to net zero	Owner	Ministry of Finance	Start	01/2029
Initiative ID: 108	Improve environmental data collection in financial institutions			End	09/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">As the backbone of the economy, the financial sector’s environmental impact is broad and hard to assess. Measuring, understanding and tracking that impact is not only important for catalysing the financial sector to contribute to a net zero future, but also for ensuring the sector is funding the green transformation.		<ul style="list-style-type: none">Ministry of Agriculture, Rural Development and EnvironmentCentral Bank of CyprusCyprus Banks AssociationOther financial institutions		N/A	
Key activities					
<ul style="list-style-type: none">Improve the collection of environmental data of the banks and financial institutions in Cyprus to deepen their understanding of how their investments affect the climate. For this reason, the government should run a consultation with Cypriot banks and financial institutions along with the Central Bank of Cyprus to learn more about how they currently collect environmental data and measure their financed emissions and carbon footprint. Through this consultation, the government can identify areas of improvement and set out an action plan for these institutions to be able to publish reports on the climate impacts of their investment portfolios. Several tools are available for banks and financial institutions to analyse the environmental footprints of their portfolios, e.g. the United Nations Environment Programme’s Portfolio Impact Analysis Tool which has been adapted and implemented by global institutions such as Deutsche Bank, Credit Suisse and Barclays. This tool is open source and available for free online.					
Expected impact	1	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Arm the financial sector with the capabilities to fund the transition to net zero	Owner	Ministry of Energy, Commerce and Industry	Start	01/2023	Indicative links to other national plans / strategies / studies
Initiative ID: 109	Promote sustainable finance to fund the green transformation			End	09/2023	
Context		Indicative contributing stakeholders		Budget		
<ul style="list-style-type: none">Sustainable finance is not just about managing risks and contributing to net zero. The transition to the green economy is the greatest commercial opportunity of our time. Major public and private investments are needed to transform the global economy.While sustainable finance and green investment products, such as those on the following slide, are important catalysts to develop a green financial system, they will not be sufficient to finance the green transition. There is an urgent need to begin mobilising mainstream finance to help support all companies adjust their business models and to fund the transformation.At the core of this is developing more a more sophisticated understanding of how companies are working to transition, not just where they are at a single point in time. Carbon footprints, for example, are not forward looking.Investors and financial institutions need to be able to assess the credibility of company transition plans. Initiatives such as the Transition Pathway help by certifying plans for meeting appropriate thresholds.		<ul style="list-style-type: none">Ministry of FinanceCyprus Banks AssociationCyprus Employers and Industrialists Federation (OEB)Cyprus Chamber of Commerce and Industry (CCCI)		TBD		
Key activities				Funding source		
<ul style="list-style-type: none">Encourage companies to make transition plans: As discussed in earlier slides. The more data and plans, the more financial institutions can make comparisons and form a view.Promote existing initiatives: Policymakers should identify some pilot firms to use tools such as the Transition Pathway Initiative, monitor their progress and use as a case study to the rest of the sector.Support the financial sector to develop its own expertise: Over time, rather than outsourcing judgements, financial institutions will need to develop their own capabilities. To do this, the government should bring in experts from the EU and host training courses on things like EU Taxonomy, a unified EU classification system for green activities. It is an essential building block for sustainable finance operations in Europe. The Taxonomy can be used to determine if an economic activity is environmentally sustainable based on harmonised EU criteria.Incentivise lending based on ESG: for example, time-limited tax incentives for companies which develop a robust lending criteria based on ESGPromote sustainable finance to fund the green transformation for example through:<ul style="list-style-type: none">Green bonds: Green bonds raise funds from fixed income investors to support new and existing projects which deliver environmental benefits, and a more sustainable economy. While there is no universal definition of a green bond, the EU has a voluntary four-part Green Bond standard, which requires the projects/activities financed by green bonds to align with EU taxonomy. Several multinational institutions have issued green bonds, e.g. the World Bank and International Finance Corporation.Green loans: Similar to a green bond, green loans can help private corporations fund green energy and sustainable projects. They are any type of loan instrument made available exclusively to finance or re-finance new and/or existing green projects.Sustainability-Linked Loan/ESG-Linked Loan: Proceeds of this type of loan are used for general corporate purposes, rather than ‘green’ projects. The pricing of this loan is determined by the borrower’s ESG score or overall sustainability achievements, e.g. emission reductions. Favourable interest rates can be offered to borrowers who successfully disclose achievements of ESG goals. Conversely, if they fail to achieve the target, borrowers must pay a higher rate.¹Environmentally responsible credit cards: Credit card providers around the world are getting creative in integrating ESG values into their offerings. Doconomy, in the US, offers a credit card that prevents consumers from making purchases once they’ve reached a pre-set CO2 emissions limit. TCM Bank, again in the US, offers a credit card where a percentage of what is spent will go towards charities supporting fair trade, clean energy and other sustainable initiatives.				TBD		
				Case studies		
				N/A		
				Dependencies		
				N/A		
Expected impact	2	Ease of implementation		2		

¹ The World Bank, Green loans: Financing the transition to a low-carbon economy, 2020.

¹ The World Bank, Green loans: Financing the transition to a low-carbon economy, 2020.

Initiative Area	Drive the transformation towards a circular, zero waste economy across businesses and households	Owner	Ministry of Energy, Commerce and Industry	Start	07/2022
Initiative ID: 110	Promote reforms across the standard “3 Rs” of waste management: reduce, reuse and recycle			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There is an urgent need for Cyprus to improve uptake of circular economy behaviours. Principles of circular living have yet to take root in businesses and communities, as shown by the stats below:<ul style="list-style-type: none">Cyprus has one of the highest landfill rates in the EU at almost 70% of waste in 2016. This has been on an upwards trajectory, rising from around 50% in 2010.Low recycling rates of municipal waste, at around 15% in 2019 – meaning that Cyprus is almost certain to miss the EC target for 50% recycling by 2020.The recycling rate has been stagnant since 2014, with little progress made to improve nationwide waste management processes.According to the EU’s Early Warning Report on the implementation of waste legislation, Cyprus’s weaknesses to implement EU waste law is due to a lack of infrastructure, lack of coordination and a lack of incentives. Regarding the latter, Cyprus does not tax landfill or mechanical biological treatment.Financial incentives – as well as public awareness campaigns – need to complement investment by EU funds in recycling points, to encourage households and producers to take responsibility for their waste.A circular economy aims to maintain the values of products, materials and resources for as long as possible given a product’s lifespan. For Cyprus, this will mean generating less waste, discarding fewer products, and extracting less resources from nature.		<ul style="list-style-type: none">Ministry of Agriculture, Rural Development and EnvironmentMinistry of FinanceDeputy Ministry of Research, Innovation and Digital PolicyMunicipalities and CommunitiesAcademic InstitutionsBusiness and Industrial Associations		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1. Reforms 4 and 5 & Investment 11, Pages 245, 247 and 250Action Plan for the Circular Economy 2021-2027 - Appendix 1, Page 12	
Key activities				Budget	
<ul style="list-style-type: none">Promote reforms across the standard “3 Rs” of waste management:<ul style="list-style-type: none">Reduce (consumption behaviours, food waste);Reuse (repair shops, community reselling); andRecycle (pay-as-you-throw, recycling plants, fines and penalties)Focus on embedding reduce, reuse, recycle reforms into school curriculums and activities first. Targeting the younger population first is key to gradually embedding waste management reforms to the wider population and culture in Cyprus.				Funds secured through the Recovery and Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.	
				Funding source	
				Recovery and Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.	
				Case studies	
				<ul style="list-style-type: none">The EU’s Circular Action Plan (Appendix 4.2)	
				Dependencies	
				N/A	
Expected impact	5	Ease of implementation	3		

Initiative Area	Reduce: incentivise individuals and businesses to minimise avoidable waste and consumption	Owner	Ministry of Energy, Commerce and Industry	Start	01/2023
Initiative ID: 111	Incentivise better consumption behaviours to reduce energy consumption by households			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Efficient energy consumption behaviours are key to reducing energy wastage in households. Awareness of these consumption behaviours, alongside the adoption of energy-saving technologies are effective ways for individuals to manage the energy and water they use in the long term, with little government intervention after awareness.Examples of efficient energy consumption behaviours include the following:<ul style="list-style-type: none">Turn off air-conditioning and lights when not in useUnplug appliances when not in useWash clothes at lower temperaturesExamples of energy-saving technologies include the following:<ul style="list-style-type: none">Smart metersUse low-energy consumption light bulbsLight sensorsBuy energy efficient appliancesWater-saving shower heads		<ul style="list-style-type: none">Ministry of Agriculture, Rural Development and EnvironmentRES and Energy Conservation FundCyprus Energy Agency		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investment 2, Page 107Action Plan for the Circular Economy 2021-2027 - Appendix 1, Pillar 2, Page 14	
Key activities				Budget	
<ul style="list-style-type: none">Raise awareness and adoption of behaviours and technologies by:<ul style="list-style-type: none">Appealing to individuals motivated by cost-saving by launching a marketing campaign based on how much can be saved in energy bills through efficient consumption behaviours and using a smart meter. These campaigns can be run in large stores selling household appliances and e-goods.Implementing a scrappage scheme for older, less energy efficient appliances. Offer free removals and recycling for these appliances with help from the municipalities as well as retailers.Targeting households undergoing or intending to undergo home improvement. Create a simple communication pack (brochure, leaflet) circulated through renovation companies that contains the most energy efficient and cost saving options.Incentivising energy companies to drive smart meter use – for example, making it a requirement of new licenses in the electricity market, and setting out a timeline for when increasing shares of customers must have a smart meter by. Cyprus should aim to have 40% of households installed with a smart meter within 10 years of the electricity market opening up.Making it mandatory for hotels to have a smart meter for water and waste.				TBD	
				Funding source	
				Some funds might be available through the Recovery and Resilience Fund (RRF). Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised.	
				Case studies	
				N/A	
				Dependencies	
				110	
Expected impact	3	Ease of implementation		3	

Initiative Area	Reduce: incentivise individuals and businesses to minimise avoidable waste and consumption	Owner	Ministry of Agriculture, Rural Development and Environment	Start	01/2024
Initiative ID: 112	Reduce avoidable food waste			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In the EU, approximately 88 million tonnes of food waste is generated annually. Tackling food wastage is an ethical, economic and environmental priority that will be key for achieving sustainable and inclusive growth. All actors in the supply chain of food – farmers, transporters, supermarkets and households – can play a role in mitigating food waste.		<ul style="list-style-type: none">Business and Industry Associations (such as Cyprus Supermarket Association, Cyprus Hotel Association, Franchisees, Federation of Owners of Leisure Centres Associations, Farmers, etc.)		<ul style="list-style-type: none">Action Plan for the Circular Economy 2021-2027 - Appendix 1, Pillar 4, Page 21	
Budget					
TBD					
Funding source					
Some funds might be available through the European Regional and Development Fund (ERDF). Consider other sources of funding.					
Case studies					
<ul style="list-style-type: none">France: Discouraging food waste in supermarkets (Appendix 4.2)					
Dependencies					
N/A					
Expected impact		Ease of implementation			
3		3			

Initiative Area	Reuse: develop facilities to extend the life of a product through maintenance, refurbishment or reselling	Owner	Ministry of Agriculture, Rural Development and Environment	Start	07/2024
Initiative ID: 113	Develop repair shops in local communities			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reforms 4 and 5, Pages 245-247Action Plan for the Circular Economy 2021-2027 - Appendix 1, Pillar 4 - Action 4.4, Page 20	
<ul style="list-style-type: none">As a result of increased manufacturing globally, broken electronics and other household goods have become a large, and growing, source of waste. Repair shops have the added value of increasing job opportunities, offering a place for young people to volunteer and upskill by gaining hands-on experience repairing mechanical and electrical goods.		<ul style="list-style-type: none">Ministry of Energy, Commerce and Industry			
Key activities					
<ul style="list-style-type: none">Support the development of repair shops in local communities by:<ul style="list-style-type: none">Offering vouchers to individuals to get their bicycle repaired. This has the additional effect of promoting sustainable and active transport options. The UK’s Fix Your Bike Voucher Scheme should be used as a case study, which offers citizens up to €60 towards the cost of their bike repair.Offering grants to entrepreneurs seeking to open repair businesses. In addition, support entrepreneurs in creating business plans and securing further funding for insurance, tools and advertising.Partnering with charities, such as Repair Café, to open not for- profit repair shops. Households with lower incomes will tend to buy lower quality household goods and appliances. Offering a free option for repairs, with services offered by volunteers, will allow this reform to be inclusive for all. See the adjacent case study on how Repair Café has been successful in Paris, France and other European cities. <p>Repair shops are in line with incoming EU legislation on the ‘right to repair’, which requires manufacturers to ensure that household appliances such as washing machines, hairdryers, refrigerators and TVs sold in EU are repairable for up to 10 years.</p>					
Expected impact	1	Ease of implementation	4	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				<ul style="list-style-type: none"><u>Case study:</u> France Repair cafés in Paris (Appendix 4.2)	
				Dependencies	
				N/A	

Initiative Area	Reuse: develop facilities to extend the life of a product through maintenance, refurbishment or reselling	Owner	Ministry of Energy, Commerce and Industry	Start	07/2024
Initiative ID: 114	Encourage community reselling and sharing			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The items which are not any longer needed by their owners should not be wasted but reused.The consumers can for example resold their no longer need or want products at a second hand market or shared with other people that might need them.Although reusing is widely adopted internationally, in Cyprus is limited. Therefore, it should be revolutionised and being expanded while implementing the Action Plan for the Circular Economy that was recently announced by the Ministry of Energy, Commerce and Industry.As per the United States Environmental Protection Agency ¹, reduction and reuse are the most effective ways you can save natural resources, protect the environment and save money. Specifically, reduction and reuse:<ul style="list-style-type: none">Prevents pollution caused by reducing the need to harvest new raw materialsSaves energyReduces greenhouse gas emissions that contribute to global climate changeHelps sustain the environment for future generationsSaves moneyReduces the amount of waste that will need to be recycled or sent to landfills and incineratorsAllows products to be used to their fullest extent <p>¹ Reducing and Reusing Basics. United States Environmental Protection Agency</p>		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyDepartment of EnvironmentDeputy Ministry of TourismMunicipalities and CommunitiesCommissioner for the CitizenBusiness and industrial associations (e.g. OEB, CCCI)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reforms 4 and 5, Pages 245-247Action Plan for the Circular Economy 2021-2027 - Appendix 1, Page 12	
Key activities				Budget	
<ul style="list-style-type: none">Create a community platform for sharing durable assets. Rather than each household in a small community owning durable assets such as lawnmowers, hardware tools, etc. a platform for sharing and lending should be set up. This platform can be digital, for example using a community webpage, or can be managed in person using a register at the town hall. Even if not centrally managed, the government can encourage building managers or streets of households to create their own ad hoc platforms. This can be done by overseeing a pilot of such a platform, and communicating its results publicly.Promote charity and second hand clothing shops to tourists. Tourists who are nearing their departure date may seek to offload holiday items such as shoes and clothes. Often, these items are lightly used. The government can minimise waste generated by tourists when disposing these items by advertising in hotels charity and second hand clothing shops that accept donations. Alternatively, or in addition to, government should encourage hotels to partner with these local charity and second hand shops. In doing so, hotels can set up donation boxes on their premises to make the process of donating even easier for tourists.Encourage community events like garage sales and fairs. Municipalities and local communities should be encouraged to host community events where locals are able to sell and trade their items. In addition to promoting green behaviours, these events can benefit social inclusion.				Funds secured through the Recovery and Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.	
				Funding source	
				Recovery and Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.	
				Case studies	
				N/A	
				Dependencies	
				N/A	
Expected impact		Ease of implementation			
1		4			

Initiative Area	Recycle: invest in the fundamental infrastructure for recycling and create the right incentives to change behaviours	Owner	Department of Environment	Start	01/2025
Initiative ID: 115	Invest in waste management infrastructure			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investments 12 and 13, Pages 254 & 262Action Plan for the Circular Economy 2021-2027 - Appendix 1, Pillar 3, Page 15	
<ul style="list-style-type: none">There is an urgent need to invest in building recycling plants for household and industrial waste. Plants need to be strategically located, involving a mix of large national plants and smaller local ones – giving all citizens and businesses close access.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryCyprus Organisation for StandardisationDepartment of Electromechanical Services - Ministry of Transport, Communications and WorksWater Development Board			
Key activities					
<ul style="list-style-type: none">Provide the initial capital outlays to build recycling plants, or seek out a public-private partnership.Seek out private companies to run and maintain the recycling plants. For this to be effective, the government must ensure credible laws and penalties are put in place to give companies confidence that a sufficient supply of waste will be delivered to the plants for recycling.Introduce laws (in line with the ‘pay as you throw’ efforts already underway) to ensure compliance and give a clear mandate and accountability to municipalities for recycling.Use positive incentives to encourage municipalities to meet recycling targets (which will be subject to third party verification), as well as fines for failing to meet new laws.Set targets for municipalities, businesses (e.g. starting from the larger ones including hotels, supermarkets, banks, semi-government organisations) and the government sector at large (schools, hospitals, civil service) for recycling levels and fines should be applied for failing to meet targets (subject to third party verification). Naming and shaming offenders could also be another strategy to adopt.					
Expected impact	4	Ease of implementation	2	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.	
				Funding source	
				Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.	
				Case studies	
				N/A	
				Dependencies	
				116	

Initiative Area	Recycle: invest in the fundamental infrastructure for recycling and create the right incentives to change behaviours	Owner	Department of Environment	Start	01/2023
Initiative ID: 116	Oversee rollout of national PAYT scheme			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Pay-as-you-throw (PAYT) schemes have been identified by the EU as the most effective option for waste reduction and source separation, and an essential first step to produce clean streams and consequently increase recycling.PAYT schemes charge households and businesses according to the amount of waste generated. A pilot scheme was tested in the Aglandjia municipality in 2020, after initial planning started in 2014. In this pilot, rubbish bags of different sizes could be bought at the town hall or other locations such as supermarkets, bakeries and grocery stores. According to the data, during the two months of the pilot’s implementation, there was 99.3% participation by residents and a 39% reduction in garbage.¹A bill to regulate PAYT schemes island-wide is now before the House (as of Dec 2020). <p>¹ In-Cyprus, ‘Pay as You Throw’ program to be implemented all over Cyprus, 2021.</p>		<ul style="list-style-type: none">Ministry of Agriculture, Rural Development and Environment		<ul style="list-style-type: none">Action Plan for the Circular Economy 2021-2027 - Appendix 1. Pillar 4. Page 19	
Key activities					
<ul style="list-style-type: none">Accelerate the passing of the PAYT bill, and oversee that the nationwide roll-out continues at pace.Mitigate opportunities for arbitrage by carefully considering the prices of PAYT bags in neighbouring municipalities.Support municipalities in acquiring and installing the necessary infrastructure for waste collection and monitoring.Liaise with any ongoing projects and initiatives to build waste management infrastructure, e.g. recycling plants.					
Expected impact	4	Ease of implementation	4	Budget	
				Funds secured through the European Regional and Development Fund (ERDF)	
				Funding source	
				European Regional and Development Fund (ERDF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Recycle: invest in the fundamental infrastructure for recycling and create the right incentives to change behaviours	Owner	Ministry of Agriculture, Rural Development and Environment	Start	01/2025
Initiative ID: 117	Introduce fines and penalties			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Fines and prosecution for fly-tipping and illegal waste dumping should be introduced nationwide. In recent years, areas around the capital (Malounta, Klirou) have evolved into illegal tipping sites for residents, businesses and rubbish collectors.At the moment, certain municipalities, such as Larnaca and Limassol, impose fines for illegal dumping of solid waste starting from €200 for individuals and €500 for companies, with fines for repeat offenders even higher.		<ul style="list-style-type: none">Union of Cyprus Municipalities - Communities		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Improve efforts to push recycling of municipal waste by doing the following:<ul style="list-style-type: none">Implement similar fines across the country, with a national fine applicable across the whole country for it to be effective.Give power to local municipalities to enforce these penalties.Improve Cyprus capability to monitor commonly-used illegal waste sites to enforce fines and penalties. To do this, the government can invest in drone technology to monitor these waste points and disincentivize fly tipping and improper waste disposal. This will also help to create jobs in ICT and further the digital agenda.Invest in drones that will support Cyprus’s current efforts to expand the workforce of inspectors in municipalities tasked with combating and monitoring illegal waste dumping.Promote best practice in offices and hotels<ul style="list-style-type: none">Ensure all public sector buildings have waste separation bins (i.e. paper and cardboard, glass, cans).Ban single-use plastic such as plastic cups and cutlery and promote reusable bottles.Encourage hotels to reduce single-use plastic (i.e. no individual shampoos) – this can be done either through green certification incentives, or legalisation. For example, they should be required by law to separate their waste and recycle correctly.				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A
Expected impact	3	Ease of implementation	2		

Initiative Area	Embed the circular economy within the manufacturing sector	Owner	Ministry of Energy Commerce and Industry	Start	06/2025
Initiative ID: 118	Embed the circular economy within the manufacturing sector			End	05/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">For the transition to the circular mode, Cyprus has to face a series of challenges. On this basis, the Ministry of Energy, Commerce and Industry identified the main areas of state intervention.Among the main challenges identified are the:<ul style="list-style-type: none">Difficulty of accessing funding to new business models combined with a lack of fiscal incentivesLack of a supportive market framework;Lack of information, know-how and infrastructure; andResistance to change.While developing the Action Plan for the Circular Economy emphasis was placed on the adoption of circular business models, the challenges that companies face for the transition to cyclical economy and to obstacles and facilitation opportunities in terms of supporting circularity.		<ul style="list-style-type: none">Local ManufacturersMinistry of Agriculture, Rural Development and EnvironmentMinistry of FinanceCyprus Employers and Industrialists Federation (OEB)Cyprus Chamber of Commerce and Industry (CCCI)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reform 4, Page 245Action Plan for the Circular Economy 2021-2027 - Appendix 1, Page 12	
Key activities					
<ul style="list-style-type: none">Establish a public-private partnership to identify solutions for circulatory within the manufacturing sector and evaluate the operations and supply chains of local manufacturers for candidacy of a pilot. It should involve local manufacturers, Ministries of Energy, Commerce and Industry, the Ministry of Agriculture, and the proposed Deputy Ministry of Climate Action.Accelerate implementation of the government's existing action plan for the circular economy, focusing on the key roadblocks, such as the necessary declassification of key waste products as use as raw material in production.Run workshops and seminars with experts to design solutions, drawing on international best practice and success stories. For example, commission an international manufacturing leading the way in circular economy to come and talk about their circular solutions and offer tangible advice to other companies.Identify leading firms, such as from the manufacturing sector, to run pilot studies, identify best practice and cost effective solutions to improving circularity.Provide hands-on technical support to identify areas for upgrades to production processes, create business plans, implement enhanced supply chains, etc.Successful projects should then be scaled up across the sector, with financial incentives focused tied to these projects. Policymakers should provide financial support and incentives for circular economy machinery.Raise awareness by sharing business plans and ultimately outcomes with other players in the market to drive change.					
Expected impact	4	Ease of implementation	3	Budget	TBD
				Funding source	Some funds might be available through the Recovery and Resilience Fund (RRF), European Regional and Development Fund (ERDF) and other National Resources.
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Develop environmental resilience in people, businesses and ecosystems to adapt to the risks and uncertainty posed by climate change	Owner	Ministry of Agriculture, Rural Development and Environment	Start	01/2022
Initiative ID: 119	Implement Cyprus’s National Adaptation Plan (NAP)			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus is expected to experience adverse effects of climate change, compared to parts of Europe.Yet, according to PwC’s latest CEO Survey, only 30% of Cypriot organisations have explicitly factored the threat of climate change into their risk management activities, compared to 40% globally.¹According to research by The Cyprus Institute ²:<ul style="list-style-type: none">Warmer weather: Between 2020 and 2050, maximum temperatures exceeding 38°C are expected for an additional two weeks per year. There is also expected to be one additional month of warm 'tropical' nights of temperatures at least 25°C. By 2100, the number of hot days per year in Nicosia is expected to increase by two months.Less rainfall: Reductions of 10-15% are expected between 2020 and 2050. Cyprus already has the most severe water scarcity problem in Europe. Water scarcity and heat stress will likely result in an increased frequency and severity of forest fires and further desertification.Climate change will have far-reaching impacts on nature, ecosystems, biodiversity and human life, as well as on businesses and the economy.It is estimated that around 50% of EU GDP is either moderately (36%) or highly (13%) dependent on nature. In Cyprus, the percentage may be even greater, due to the importance of the tourism sector and its reliance on imports for food supply chains. <p>¹ PwC, 24th Annual Global CEO Survey, 2021.</p> <p>² The Cyprus Institute, Climate Change and Impact.</p> <p>³ World Economic Forum, Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy, 2020.</p>		<ul style="list-style-type: none">Water Boards, Water Development DepartmentDistrict Administration OfficesDepartment of Public Works, Ministry of Transport, Communications and WorksPublic Health Services, Ministry of HealthDepartment of Urban Planning and Home, Ministry of InteriorMunicipalitiesDepartment of Labor Inspection, Ministry of Labour and Social SecurityDepartment of Energy, Ministry of Energy, Commerce and IndustryElectricity Authority of Cyprus (EAC)Cyprus Energy Regulatory Authority (CERA)Civil Defence		<ul style="list-style-type: none">National Strategy and Action Plan for the Adaptation to Climate Change	
Key activities				Budget	TBD
<ul style="list-style-type: none">Implement Cyprus’s National Adaptation Plan (NAP). The government of Cyprus formally adopted a National Adaptation Plan in 2017, an excerpt of which is included below. The NAP lists 57 measures, actions and practices that are required for the effective climate change adaptation of eleven vulnerable areas: water resources, soils, coasts, biodiversity, agriculture, forests, fisheries & aquaculture, public health, energy, tourism and infrastructure. The NAP sets out clearly the implementing body for each adaptation measure. The implementation of several adaptation measures in the 11 vulnerable sectors is currently underway.Remain committed to the NAP, and accelerate the implementation of some of the key and high priority adaptation measures highlighted here. Crucially, progress against the plan should be monitored and reported on annually, holding stakeholders to account for progress.				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A
Expected impact	4	Ease of implementation	3		

Initiative Area	Strengthen and enforce protections for biodiversity and natural environments	Owner	Ministry of Agriculture, Rural Development and Environment	Start	03/2022
Initiative ID: 120	Enforce the Natura 2000 directives to protect biodiversity and natural environments in Cyprus			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Natura 2000 is the largest coordinated network of protected areas in the world, stretching over 18% of the EU's land area and more than 8% of its marine territory. The network aims to provide long term protections for valuable and threatened species and habitats, both on land and at sea, by promoting conservation and sustainable interactions with nature. Areas under Natura 2000 are protected by strict conditions under which development may take place. Rigorous and comprehensive assessments of plans proposed for development in Natura 2000 sites should be conducted before approval. In addition, EU member states with protected areas must release reports every 6 years detailing measures to manage and protect these sites.On paper, Cyprus has over 60 areas protected under Natura 2000 including large swathes of land and coastlines such as Dasos Pafou and Chersonisos Akama. However, Cyprus's track record of adequately managing and protecting these areas has been weak. This is of high concern. Cyprus has already a lower coverage of forests compared to the EU average and is suffering from the effects of environmental degradation. More importantly, most tourists visit Cyprus for its natural beauty. Destroying or commercialising Cyprus's natural beauty will imply the eventual commercialisation of these areas which will detract higher spending tourists (that Cyprus wants to attract) from coming to the island.In 2019, the European Commission said in a letter to Cyprus's government that 'Cyprus has generally and persistently failed – since its accession to the EU – to ensure that its authorities subject plans or projects to appropriate assessment of their implications on the Natura 2000 sites.' Cyprus was urged to improve its 'systemic failure' in the protection of these areas.Examples of Cyprus's failure to protect its Natura 2000 sites include illegal hospitality and retail premises built on protected beach-fronts and government-approved infrastructure projects that have knowingly harmed protected species and habitats.		<ul style="list-style-type: none">N/A		<ul style="list-style-type: none">Biodiversity Strategy and Action Plan 2020-2030 - Chapter 3, Page 44	
Key activities					
<ul style="list-style-type: none">Strengthen Cyprus enforcement of Natura 2000 directives and protect the biodiversity and natural environments – beaches, forests, seas and more – which give the country so much of its unique heritage. Measures can include:<ul style="list-style-type: none">Survey Natura 2000 areas and put in a time-bound action plan to demolish illegal premises built on or near to the protected land.Eliminate loopholes in the legislation which permit the authorities to overrule environmental impact assessments and continue damaging Natura 2000 areas (or indeed offset areas prone to damage with other Natura 2000 areas). If environmental impact assessments show a net cost to the public from a project going ahead then these should not begin in the first place. Delicate ecosystems are not replenished or reproduced. For example, solar parks should not be constructed adjacent or in Natura 2000 areas. Highways should not be built in areas close to Natura 2000 areas. No projects should start without a complete environmental impact assessment.Environmental impact assessments are in line with the EU's Environmental Impact Assessment Directive, some parts of which Cyprus has not yet correctly transposed. For example, Cyprus has not transposed its obligation to ensure that practical information is made available to the public on access to administrative and judicial procedures. Cyprus should transpose these parts of the Directive with haste.Conduct thorough environmental impact assessments for the effects of public and private projects proposed for Natura 2000 sites. The government should impose more stringent and stricter requirements for all environmental impact assessments. This is to ensure that the private sector entities in particular to not guide or impose their view on those carrying out the environmental impact assessment and ensure independence.					
Expected impact		Ease of implementation		Dependencies	
3		2		N/A	

Initiative Area	Strengthen and enforce protections for biodiversity and natural environments	Owner	Ministry of Agriculture, Rural Development and Environment	Start	07/2022
Initiative ID: 121	Ratify, in full, and improve enforcement of the Barcelona Convention for coastlines			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus adopted the Barcelona Convention for coastlines in 1995, committing to protect the Mediterranean marine and coastal environment and ensure the sustainable management of natural marine and coastal resources.However, enforcement of the protections provided by the Convention has been insufficient, leading to systemic encroachment on Cyprus's coastal areas by developers and businesses.		<ul style="list-style-type: none">Cyprus Marine Environment Protection AssociationAKTI Project and Research CentreMunicipalities with sections of coastline		<div>N/A</div>	
Key activities				Budget	TBD
<ul style="list-style-type: none">Ratify the Barcelona Convention in full and strictly enforce its protocols and directives. Cyprus can also:<ul style="list-style-type: none">Reinforce the requirements for planning permits in protect areas, e.g. the sea caves area in Paphos and seafronts in Protaras. Proposals for planning permits must include a comprehensive review of the actions the developer will take to mitigate negative impacts on Cyprus's coastlines and marine environment.Conduct capacity studies. The Ministry of Agriculture, Rural Development and Environment must analyse and produce evidence-based capacity studies for coastlines in Cyprus, i.e. how many hotels, villas and tourists an area can support before becoming untenable.Municipalities with large sections of coastline should have a dedicated officer for environmental affairs, including the protection of beaches and marine life. This officer will be responsible for monitoring compliance with the Barcelona Convention and other laws protecting marine and coastal resources.				Funding source	Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised
				Case studies	<div>N/A</div>
				Dependencies	<div>N/A</div>
Expected impact	3	Ease of implementation	5		

Initiative Area	Support the financial sector in managing climate risks and developing resilience	Owner	Central Bank of Cyprus	Start	06/2028
Initiative ID: 122	Establish a taskforce to explore the application of TCFD-compliant climate-related reporting within Cyprus			End	03/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">To help identify the information needed by investors, lenders, and insurance underwriters to appropriately assess and price climate-related risks and opportunities, the Financial Stability Board established an industry-led task force: the Task Force on Climate-related Financial Disclosures.The Task Force developed four recommendations on climate-related financial disclosures that are applicable to organisations across sectors and jurisdictions – see below.As of September 2020, there are 1,440 global companies disclosing climate related financial risks and are supporters of the TCFD, representing a market cap of \$12.6 trillion.		<ul style="list-style-type: none">Association of Cyprus BanksInsurance Association of CyprusPension Fund Providers		N/A	
Key activities					
<ul style="list-style-type: none">Establish a taskforce to explore the application of TCFD-compliant climate-related reporting within Cyprus. Conduct a consultation with financial institutions (including banks, insurers, pension providers) to understand and explore the following:<ul style="list-style-type: none">The current metrics that are tracked and the reporting procedures that are undertaken with regards to climate risks.The guidance, methodologies and support that would be required to enable financial institutions to make compliant climate-related disclosures.The timelines for mandatory reportingAs part of the consultation, the taskforce should organise a seminar or event which takes companies through the TCFD framework, outlines the importance of understanding the risks (from both an economy-wide and company perspective) and the benefits. For example, preliminary research by the Bank of England and PwC found that some TCFD disclosures were positively correlated with the stock price of firms that have disclosed to date, with the disclosures about a firm’s targets, emissions, risk management, resilience and impacts exhibiting the strongest correlations.					
Expected impact	1	Ease of implementation	4	Dependencies	
				123	

Initiative Area	Develop an understanding of climate-related risks in the financial sector	Owner	Central Bank of Cyprus	Start	07/2028
Initiative ID: 123	Set out a clear timeline for mandatory TCFD compliant disclosures by 2030			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> Climate change poses significant risk to the finance and insurance sector and its stability. <ul style="list-style-type: none"> Physical risk: As climate change advances, the risk of abrupt value losses in climate risk-sensitive geographical areas – such as Cyprus – increases. This can lead to the erosion of collateral and asset values for a large number of financial institutions. Transition risk: Financial markets can be adversely affected by the uncertainties related to the timing and speed of the transition towards a low-carbon economy. Mitigation policies, technological advances or changes in public sentiment can lead to value reassessments by financial market participants, possibly in an abrupt manner. An unanticipated introduction of policy measures or a rapid change in consumer preferences could trigger abrupt asset price decreases for the affected firms and sectors. It also creates opportunities – the expected transition to a lower-carbon economy is estimated to require around \$1 trillion of investments a year for the foreseeable future, generating new investment opportunities.¹ Policymakers and financial institutions must take a long-term view and act today to ensure the finance and insurance sector can adapt and be resilient to the effects of climate change across the economy. <p>¹ International Energy Agency, World Energy Outlook Special Briefing for COP21, 2015.</p>		<ul style="list-style-type: none"> Association of Cyprus Banks Insurance Association of Cyprus Deputy Ministry of Climate Action, the Environment and Sustainability (in the event that a Deputy Ministry is not established, contributing stakeholders will be the Ministry of Agriculture, Rural Development and Environment and Ministry of Energy, Commerce and Industry) Human Resource Development Authority of Cyprus (HRDA) Cyprus Employers and Industrialists Federation (OEB) Cyprus Securities and Exchange Commission (CySEC) 		N/A	
Key activities				Budget	
<ul style="list-style-type: none"> Set out a clear timeline for when climate disclosures of financial institutions will be mandatory by 2030. <ul style="list-style-type: none"> Create initial reputational incentives: On the Deputy Ministry of Climate Action’s website, best practice and case studies should be outlined to incentivise companies to follow suit and create reputational benefits Utilise existing frameworks: Clear guidance should be set up using the framework of the Task Force on Financial Disclosures (TFCD), as well as the EU’s TEG (technical expert group on sustainable finance) guidelines. The government can support businesses by developing robust environmental disclosure standards, with clear metrics and data points. Disclose also: <ul style="list-style-type: none"> The organisation’s governance around climate related risks and opportunities (Governance). The actual and potential impacts of climate related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material (Strategy). How the organisation identifies, assesses, and manages climate related risks (Risk Management). The metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material (Metrics and Targets). Support companies in their journey to make climate-related disclosures <ul style="list-style-type: none"> Subsidise training courses: The TCFD offers a number of online courses to help organisations fill knowledge gaps and enhance their disclosures. They also have a specific training course on climate reporting in the EU, which would be of particular importance. The government should aim to subsidise the cost of such training courses for companies who are willing to be pioneers of compliant reporting in Cyprus and commit to disclosures on an escalated timeline. Stock exchanges should provide momentum: Stock exchanges should work toward making annual climate disclosures that reflect this guidance a continued listing requirement. To do this, they need to develop common guidance and a framework that is consistent with TCFD. The Central Bank of Cyprus need to lead by example and publish TFCD-complaint disclosures. This is important as central banks control large balance sheets and have considerable clout in setting expectations for the private sector. Central banks can also help develop best practice in data collection, analysis, metrics, and tools such as scenario analysis that can be used by the private sector. 				TBD	
Expected impact		Ease of implementation		Case studies	
3		3		<ul style="list-style-type: none"> Case study – UK’s roadmap towards mandatory climate related disclosures (Appendix 4.2) Case study – Landsec: Creating financial transparency on real estate climate risk (Appendix 4.2) 	
				Dependencies	
				122	

Initiative Area	Support the financial sector in managing climate risks and developing resilience	Owner	Central Bank of Cyprus	Start	06/2028
Initiative ID: 124	Climate change stress testing			End	03/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Once reporting capabilities and standards have been developed, the next step is to interpret that data and to embed it within risk management strategies.Central banks, such as the Bank of England and the Federal Reserve have begun large scale climate-stress testing of the country’s financial system, and announced plans to support financial institutions do the same.Building on the Central Bank of Cyprus's membership of the Network of Central Banks and Supervisors for Greening the Financial system, the authorities should accelerate the development of capabilities and frameworks for climate-stress testing across the sector.		<ul style="list-style-type: none">Association of Cyprus Banks		N/A	
Key activities				Budget	
<ul style="list-style-type: none">Run a consultation with Cypriot financial institutions to understand the current procedures for evaluating climate risks. Training and workshops should be provided to firstly build awareness of the importance of such an exercise, and secondly to build capabilities.Develop a clear timeline of when financial institutions must be doing so to a specific standard. Climate stress tests are not conventional pass-or-fail tests that can lead to impairment of assets, but rather about developing strategies and governance to build resilience and adapt business models to climate change.				TBD	
				Funding source	
				TBD	
				Case studies	
				<ul style="list-style-type: none">Case study – Landsec: Creating financial transparency on real estate climate risk (Appendix 4.2)	
				Dependencies	
				122 & 123	
Expected impact		Ease of implementation			
2		3			

Additional case studies

A powerhouse of innovation

Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient



Case study: Guernsey Recycling initiatives

In 2019, Guernsey achieved a recycling rate of 73%, one of the highest rates globally and a significant increase from a recycling rate of 50% in 2017. The main drivers behind this rapid improvement in recycling include the introduction of a separate food waste collection in 2018 and the pay-as-you-throw scheme in 2019.

- **Separate food waste collection system:** A new food waste collection program was introduced in September 2018. Households received new recycling kits in the post containing lockable plastic bins to be used to set out food waste for collection every week. Food waste accounts for more than two-fifths of total waste in black bin bags. Collecting food waste separately allowed the collection of general waste to become less frequent, reducing the amount of general waste accumulated and increasing recycling.
- **Pay-as-you-throw scheme:** From February 2019, Guernsey households were charged for each bag of general rubbish that they put out for collection. New pay-as-you-throw stickers were introduced, with each 90-litre bag costing £2.50 and each bag up to 50 litres capacity costing £1.40. Fines were levied on households failing to put these stickers on the rubbish they put out for collection. Households in Guernsey accepted the new scheme and reduced general waste at a faster rate than anticipated, leading to a deficit of £3 million to Guernsey Waste at the end of the first year of the operation.

In the first six months of 2019, approximately 2,125 tonnes of black bag waste was collected. This was a 58% decrease compared to the same period in 2018.¹

¹ BBC News, *Guernsey household waste halves under new system, September 2019.*



Case study: Sweden Leader in climate change action

Sweden has long been a champion of combating climate change. It was the first country to establish an environmental protection agency back in 1967. Sweden also held the first UN conference on the environment, leading to the creation of the world's leading global environmental authority, the United Nations Environmental Programme (UNEP). Sweden was one of the first countries to introduce a carbon tax in 1995 and is one of the few industrialised countries that have managed to decouple economic growth and greenhouse gas emissions. Sweden's GHGs are one of the lowest in the EU and the OECD, whether measured on a per capita basis or as a proportion of GDP.

Sweden's focus has been on long-term energy efficiency and renewable energy. Proactive and decisive government action is underpinned by strong public awareness and citizen engagement with environmental issues. There are a number of things the government has done to drive forward sustainable growth:

- **Public support:** Government information on how to save energy is widely available. Each municipality has an 'energy adviser' who provides help and guidance to citizens. For example, topics include replacing windows, using low-energy lights and switching to different heating systems.
- **Sustainable city planning:** Sustainability is fully incorporated into all aspects of city planning, from smart electric grids to public transport, bike friendliness and waste management.
- **R&D:** Investments in environmental-related R&D have made Sweden an innovation leader for several clean energy technologies, including biofuels, smart grids and carbon capture and storage.
- **Green incentives:** These include public funds for local climate investments and renewable energy, as well as tax incentives aimed at consumers to, for example, reduce the costs of solar panels, energy efficiency instruments and fuel efficient cars.



Case study: Denmark Conservation policy

Reforestation: The government's scheme for reforestation Denmark 'The Nature Fund' is a public-private partnership which supports projects expanding or improving natural areas. The government has pledged €6.5 million to two new LIFE projects in Denmark co-financed by the EU.

Biodiversity – The Danish Nature Policy: In 2014 the government launched Nature Plan Denmark. The key initiative is the development of a new Green Denmark map that will show where the Danish existing and potential valuable natural and endangered animals and plants can be found, the establishment of approximately 25,000 hectares of new nature and a ban on spreading manure and use insecticides around 35,000 hectares of protected nature areas.



Case study: Slovenia Green transport policy

Transport and transport infrastructure has seen concerted efforts to be more environmental. The Transport Development Strategy up to 2030 sets out rail transport and sustainable mobility measures. This will reduce the carbon footprint of the transport sector and unsustainably heavy road traffic.

Railway upgrades and incentives: Elements of this plan include upgrading railway infrastructure, promoting sustainable transport choices in the calculation of travel costs, reducing the need for private motor vehicle use, changing excise and toll policy to help divert freight transit transport to rail, organise and establish a digital platform that will promote all possibilities of public passenger transport, forms of co-travel and the creation and establishment of new sustainable mobility business models.

Car transition policies: An estimated 1% of cars in circulation will be electric cars by 2020 and this will rise to an estimated 16.9% by 2030. Recharging facilities are already in place, with one public recharging point for every 1.64 electric vehicles. Electric cars will also be supported by tax exemptions, benefits and incentives to buy and use electric cars. By 2023 Slovenia will have analysed the prospects for banning the sale of new and import of old vehicles that use liquid fossil fuels as motor fuels. Slovenia is also developing and testing innovative traffic management measures to reduce the energy and carbon intensity of transport, with the hope that plans will improve mobility, traffic safety, and reduce environmental harm.

3.3.8

Thriving and resilient economy

A powerhouse of innovation

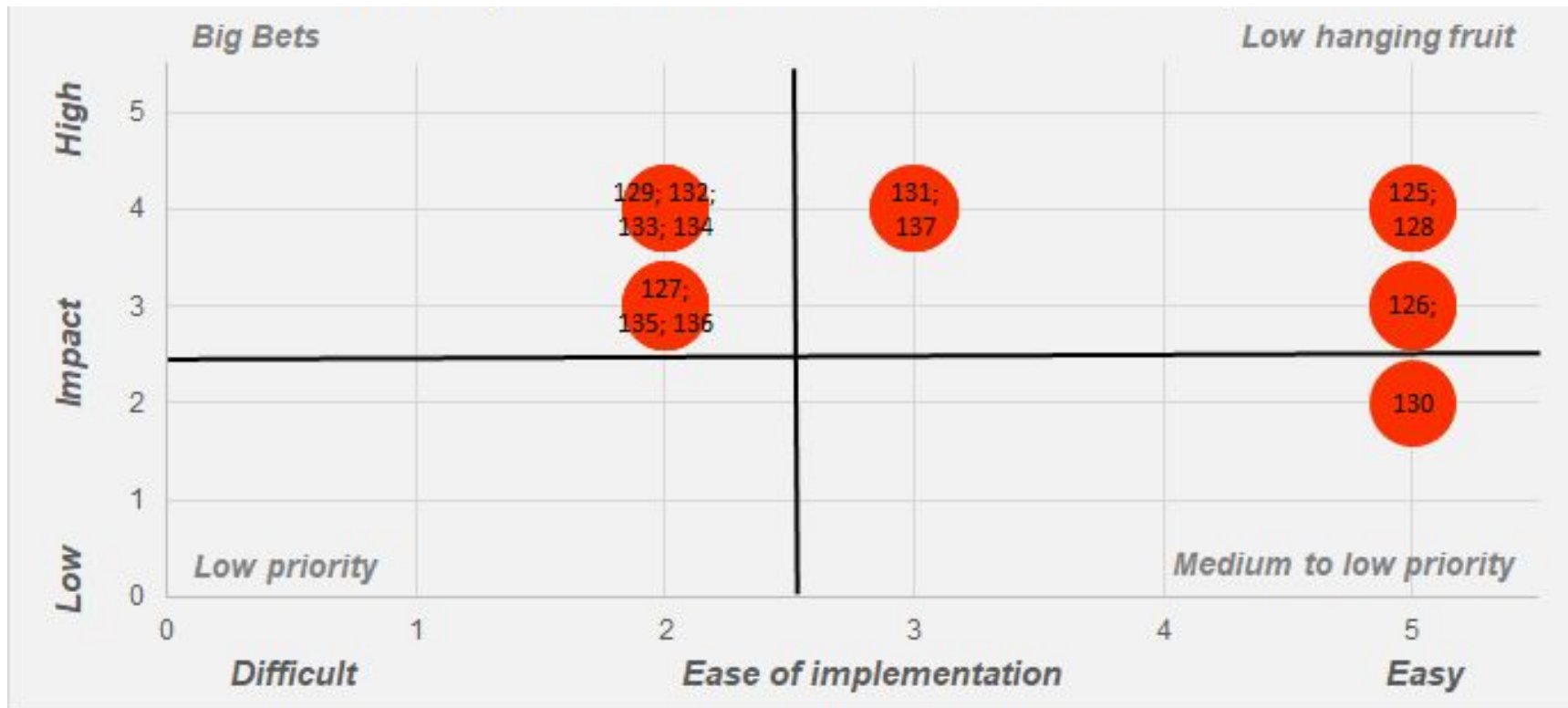
Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient

We have evaluated and mapped all initiatives under the “**diversified, sustainable and more resilient economy**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**diversified, sustainable and more resilient economy**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Attract and nurture foreign companies through targeted and personal networking	Owner	Invest Cyprus	Start	01/2022
Initiative ID: 125	Proactive investment promotion by CIPA			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Invest Cyprus's mandate is to raise awareness of the country as a FDI destination, providing certainty around all aspects of operating a business in Cyprus and supporting potential investors in developing their business case for investment into the country.Investment promotion services that are part of CIPA aim to develop and grow links and networks between Cyprus and international firms on a proactive basis rather than reactiveAs a member of the World Association of Investment Promotion Authorities, Invest Cyprus has been following competition and best practices of IPAs at an EU and international level.However, the public resources deployed for promoting the country as a destination for foreign investment and international business have always been significantly lower when compared to the rest of Europe and other competing jurisdictions.With a promotional budget no less than €2m pa and without a network of representatives/offices in major international markets, the awareness is inevitably limited. This constitutes a major discrepancy for an open serviced-based economy, especially when compared to the annual public spending for the promotion of the country as a tourist destination.		<ul style="list-style-type: none">Ministry of Foreign AffairsCyprus Investment Fund AssociationCyprus International Business Association			
Key activities					
<ul style="list-style-type: none">Employees responsible for investment promotion should be highly trained executives that can explain and promote what Cyprus can offer as a country to multinational companies of any size and lay the groundwork for future relocation opportunities.<ul style="list-style-type: none">They should have a comprehensive and detailed understanding of Vision 2035, the LTES and the types of companies and sectors that Cyprus needs to attractThey should be clear and aligned on Cyprus's comparative advantages that should be promoted – avoiding any contradictory presentationsThey should have a clear mandate and the authority to grant specific requests to companies without having to follow lengthy approval process. The taskforce must be credible and gain a reputation for efficiency and effectiveness.They need to be well versed on the availability and skills in the Cyprus labour market – for example, being able to answer questions about availability of workers with ICT skillsThe highly trained individuals should be extroverted individuals with excellent communication skills, high level of EQ and a native command of the English language as well as very good understanding of how modern conglomerates operate. The performance of these individuals should be partly assessed based on the number of businesses that set up a branch in Cyprus consistent with Vision 2035Focus should be placed on mid-level conglomerates which do not have a presence in the South East Mediterranean but want to gain a foothold in the European Union.Build an ‘investor roadmap’ to define the journey (including processes, permits, licenses, incentives, etc) that prospect investors must follow to invest in Cyprus. It is noted that the implementation of this initiative is dependent on the implementation of initiative ID 2 on Identifying, improving and documenting the processes in relation to the top 200 requests made by citizens and businesses.Indicative promotion activities through targeted and personal networking<ul style="list-style-type: none">Initiate conversations with business leaders in various forums (roadshows, business forums, seminars, summits etc) around what foreign companies would need to base their operations in Cyprus. These should include reaching out campaigns to specific corporates. The emphasis should preferably be in focused in EU countries (given alignment of rules, regulations and standards) and, in particular, the non-Greek speaking world.Undertake regular ‘back-to-back outcalls’ to targeted investors, to discuss project status and needs for other services and support. These often involve an ambassadorial-level meeting at investor headquarters, and an CIPA high-level representative meeting with the CEO and top management of the investors' local subsidiariesInvite potential foreign executives to Cyprus and guide them through how their headquarters could look like if they choose to make the decision to relocate to Cyprus. This could include networking events with current expat executives already located in Cyprus. This could include networking events with current expat executives already located in Cyprus. A similar approach could be adopted with high profile journalists (New York Times, the Guardian, the FT, BusinessWeek, Newsweek, The Economist) to cover Cyprus's progress on this front. This approach should not be a one-off. Rather Cyprus will have to nurture these relationships over the long-term instead of establishing short-term, transactional relationships.Establish matchmaking services between potential executives considering moving part of their headquarter operations and local Cypriot SMEs in the related fields to maximise synergies between the foreign and local entities. Maintain long-term relationships with targeted executives and businesses.Hold honest feedback conversations with executives on the corporate and personal reasons on why they didn't choose Cyprus as a headquartering destination. Doing so helps detect investor irritants, which may hinder smooth operations and become potential obstacles to future investment. The outcome of these conversations should be referred to the authorities and acted upon so that they are not repeated in the future.					
Expected impact	4	Ease of implementation	5	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				2	

Initiative Area	Maximise spillovers and knowledge transfer from foreign firms to the Cyprus economy	Owner	Invest Cyprus	Start	10/2021
Initiative ID: 126	Implement an aftercare programme for foreign firms			End	06/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">It is understood that currently Invest Cyprus aims to offer aftercare services to investors. This initiative aims to enhance the aftercare services that are already provided.The aftercare programme should aim to understand the current inward investors ecosystem and develop recommendations for how to better provide aftercare, for example finding local partners, R&D support and funding opportunities, supply chain support, support finding local talent and provide lifestyle advices		<ul style="list-style-type: none">Ministry of Foreign AffairsCyprus Investment Fund AssociationCyprus International Business Association		<ul style="list-style-type: none">Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 -11	
Key activities					
<ul style="list-style-type: none">Implement an aftercare programme for foreign firms established in Cyprus to provide better support.<ul style="list-style-type: none">It should comprise a dedicated team focused on retention and maximising the opportunities for Cyprus from a foreign companies presence in the country.Prepare an inventory of top investors in Cyprus.<ul style="list-style-type: none">This could be based on their headline impact (i.e. total employment, revenues), or other criteria such as certain sectors, or investors linkages to local suppliers.Map connections to each company.<ul style="list-style-type: none">This includes all direct contacts to the company’s local operation or their parent company. Each contact should be qualified in terms of decision-making authority and strength of relationship.Assess the company’s situation.<ul style="list-style-type: none">This will require research and discussions with stakeholders, such as suppliers. This information should then be used to highlight the companies most at risk and in need of aftercare support.Determine the best approach for engaging with each company.<ul style="list-style-type: none">Keep a track of communications (i.e. using platforms like Salesforce) to prevent duplication of effort. Roundtables can be effective to engage key sectors.Be clear about what can be offered.<ul style="list-style-type: none">Identify possible solutions ahead of conversations and what the benefits to the company would be. The investment promotion taskforce should have authority to also grant aftercare request.Consider setting up a COVID-19 recovery taskforce.<ul style="list-style-type: none">Future investment attraction starts with looking after established foreign investors today. Helping current investors navigate the recovery will be critical for Cyprus's reputation as a business hub. By the time of implementation of this initiative, the necessity of this initiative should be assessed according to covid-19 developments.					
Expected impact	3	Ease of implementation	5		
Budget					
TBD					
Funding source					
TBD					
Case studies					
N/A					
Dependencies					
N/A					

Initiative Area	Maximise spillovers and knowledge transfer from foreign firms to the Cyprus economy	Owner	Invest Cyprus	Start	07/2022
Initiative ID: 127	Establish a matching service on Invest Cyprus to facilitate partnerships between multinational corporations (MNCs) and local businesses or projects.			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus is in the early stages of the digitisation process in the state and private sector. Naturally, this will involve large digital transformation projects. Encouraging collaboration between MNCs and large state-run projects, such as in the digital or health sector, will incentivise big overseas corporations to establish a presence in Cyprus and generate spillover effects between domains of the economy.Once this service is established in Cyprus, partnerships between MNCs and smaller local businesses can encourage knowledge sharing.These service could be tied to Cyprus’s procurement rules particularly for large-scale digitisation projects in the public sector.		<ul style="list-style-type: none">Ministry of Foreign AffairsDeputy Ministry of Research, Innovation and Digital PolicyMinistry of Finance		<ul style="list-style-type: none">Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 -11	
Key activities					
<ul style="list-style-type: none">Establish a matching service in Invest Cyprus to identify and facilitate partnerships between MNCs and local businesses or project.Connect with prospective investors to understand their investment goals and needs and identify opportunities through local partnerships. Also consider the possibility of mergers and acquisitions.Develop specific criteria which can be used for the purposes of matching prospective investments to local businesses and projects. Map and record these in a user-friendly database to be utilised for the identification of possible good matches between MNCs and local businesses and projects. Identify some key criteria for local firms to be matched (i.e. certain skills, local market share, specific knowhow) and build a digital database of local firms that could be matched to investors and MNCs.Encourage and facilitate partnerships between MNCs and local businesses.Encourage and facilitate, mergers and acquisitions between local firms to benefit from economies of scale which in turn will enable collaboration and partnership with MNCs.As per initiative 126, it is important that the aftercare taskforce follows closely the development of such partnerships, mergers and acquisitions and provides support concerning potential benefits and facilitates further investment.					
Expected impact		Ease of implementation		Dependencies	
3		2		N/A	
				Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	

Initiative Area	Maximise spillovers and knowledge transfer from foreign firms to the Cyprus economy	Owner	Invest Cyprus	Start	04/2023
Initiative ID: 128	Launch an awareness campaign of Cyprus as a business hub			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently Invest Cyprus promotes Cyprus internationally and therefore this initiative aims to inform and enhance the relevant effortsWith lack of awareness being evident by the huge divergence between the perceptions of established and non-established investors, Cyprus needs to undertake an aggressive and well targeted information campaign to raise awareness about conditions and investment opportunities, promote success stories and clear up possible misconceptions or prejudices.Once the investment taskforce, the aftercare programme, and other fundamental reforms have been implemented which are critical to Cyprus's competitiveness such as to the justice system – an awareness campaign should be launched to promote Cyprus as a business hub.		<ul style="list-style-type: none">Ministry of Foreign AffairsMinistry of Energy, Commerce and IndustryDeputy Ministry of Research, Innovation and Digital Policy			
Key activities					
<ul style="list-style-type: none">Launch an awareness campaign to promote Cyprus as a business hub:<ul style="list-style-type: none">These campaigns should be long-term rather than transactional and short-term and be reviewed on a recurring basis for the duration of this strategy.They should also be aided with proactive, extroverted employees of CIPA with excellent knowledge of the English language and which are well-versed in the ways of working in other leading commercial centres of the world including London, Paris and New York.This campaign needs to be targeted in economies that would want to set up a base into the European Union, such as the near Middle East economies, UK, Southeast Asia and America.The campaign should focus on key nuances and benefits that Cyprus can offer.<ul style="list-style-type: none">For example, it should promote opportunities for companies to establish a regional base or satellite offices in Cyprus. These can be technology companies that want to use Cyprus as a base for attracting specialized talent from Europe,well as third countries.					
Expected impact	4	Ease of implementation		5	

Budget	
TBD	
Funding source	
TBD	
Case studies	
N/A	
Dependencies	
N/A	

Initiative Area	Bring the best possible and appropriate talent to Cyprus to complement and upskill the local workforce	Owner	Ministry of Interior	Start	07/2023
Initiative ID: 129	Modernisation of Cyprus's visa and application processes			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are a number of features of Cyprus's current visas that should be reassessed and reformed, in order to make working in Cyprus more attractiveCyprus will review and promote current incentive schemes aimed to attract talents from third countries, like Scientific VISA scheme for researchers and their families, Start-up VISA scheme for founders of innovative enterprises and their families in order to attract high tech companies from abroad.		<ul style="list-style-type: none">Ministry of Foreign AffairsMinistry of Labour, Welfare and Social InsuranceDeputy Ministry of Research, Innovation and Digital PolicyCommissioner for Administration and the Protection of Human RightsResearch and Innovation Foundation		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2. Reform 2, page 280Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 -11	
Key activities					
<ul style="list-style-type: none">Invest in e-government for immigration and digitalise Cyprus' visa and work permit application processesSimplify visa application process for dependants of existing work visa holders.<ul style="list-style-type: none">Enable dependants to come to Cyprus under the same visa application. Currently, dependants of work visa holders must obtain a Temporary Residence Permit through a separate application submitted under the Family Reunification process.Change the Young Adults Restriction so that children can stay under family reunification if they are not in school or university.Activate the EU's Blue Card, which is a work and residence permit for non-EU national, awarded on a merit basis to those with professional experience and skills.Allow flexibility for workers to be shareholder in a Cypriot company.<ul style="list-style-type: none">Relax the rules and allow flexibility for entrepreneurs to be able to be a shareholder, director, or investor in Cypriot companies.For the temporary residence visa, currently it restricts applicants from being a shareholder in a Cypriot company.Naturalisation scheme for highly-skilled workers (for example, under the STEM visa – see next slide) can become Cyprus citizens if they have lived and worked in Cyprus for at least 5 years.Coordinate better across different government systems such as social insurance, immigration, health. This can be done through process mapping and clear signposting and listing out key contacts on websites.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	2

Initiative Area	Bring the best possible and appropriate talent to Cyprus to complement and upskill the local workforce	Owner	Ministry of Labour, Welfare and Social Insurance	Start	01/2024
Initiative ID: 130	Create a “Work in Cyprus” one stop shop			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Annex 2, Pages 15 -16	
<ul style="list-style-type: none">Building on the success of the Invest Cyprus and Study in Cyprus one-stop-shop websites, a similar online platform should be developed for immigrants – ‘Work in Cyprus’ that can have easy access to visa information and associated services		<ul style="list-style-type: none">Civil Registry and Migration Department, Ministry of InteriorDeputy Ministry Research, Innovation and Digital PolicyMinistry of Foreign AffairsInvest CyprusCommissioner for Administration and the Protection of Human Rights			
Key activities					
<p>Providing information about working in Cyprus</p> <ul style="list-style-type: none">Advertise the benefits of living and working in Cyprus<ul style="list-style-type: none">It should form the cornerstone of any marketing efforts to promote Cyprus as a destination for foreign workers in key sectorsProvide information on living in Cyprus, for example information about housing, rental cars, restaurants and other social events, coworking spaces and schoolingIncrease the speed and efficiency of visa applications, detailing the key information for each type of visas and how they compare (i.e. information on taxes, spouse and other restrictions).<ul style="list-style-type: none">It should clearly direct people to the right web pages on the Ministry of Labour, Welfare and Social Insurance to apply for visas.A key point of contact should be assigned, who should aim to respond to all inquiries within 72 hours <p>Establishing a one-stop-shop for easy access to visa information and associated services</p> <ul style="list-style-type: none">Set up a website which will act as the centralised hub for all the correspondence of the potential nomad with the authorities.Integrate the system with the corresponding system of the Ministry of Interior, Ministry of Justice, Ministry of Labour, Welfare and Social Insurance and the municipalities, such that it gives access to all standard information and services to residents that citizens of Cyprus benefit from, including telecoms and utilities (and schooling if possible).<ul style="list-style-type: none">It would also mean that the nomad would be able to invoice Cyprus companies, receive payments into Cyprus banks and pay social security and income tax (if applicable) in CyprusRespond to these requests within 48 hours of the application.Explain and advertise all relevant information regarding the services and offerings in Cyprus’s nomad ecosystem in a one-stop-shop web-platform – including information on health and schools.<ul style="list-style-type: none">The platform should also advertise tourist attractions, social and professional events, direct-placements or networking with local ICT companies, and other activities that would be of interest to a new-comer to the island.Develop a tool to assess an applicant’s level of digital skills – this will have the benefit of being able to demonstrate the value of the programme and also incentivise companies to collaborate with the Digital Nomad community.					
Expected impact		Ease of implementation		Budget	
2		5		TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				202	

Initiative Area	Bring the best possible and appropriate talent to Cyprus to complement and upskill the local workforce	Owner	Tax Department, Ministry of Finance	Start	10/2024
Initiative ID: 131	Create additional incentives for workers in key sectors to come to Cyprus			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 -11	
<ul style="list-style-type: none">In order to attract key workers to come to Cyprus and for Cypriot companies to hire them to fill skill gaps, the governments should consider actively creating incentives.		<ul style="list-style-type: none">Ministry of InteriorMinistry of Foreign AffairsMinistry of Education, Culture, Sport and YouthMinistry of Labour, Welfare and Social InsuranceInvest Cyprus			
Key activities					
<ul style="list-style-type: none">Offer tax deductions for immigrants that work in growth sectors.<ul style="list-style-type: none">Extend and adapt the current tax incentives towards specific growth industries e.g. ICT, renewable energy.Currently in Cyprus, there is a temporary tax incentive in-place that allows immigrants to be eligible for tax deductions if their income is from a new job and they have no prior income in the country.Consider making living expenses tax deductible. For example, the cost of schooling or travel to create additional incentives.Extend the 50% tax exemption for non-residents earning more than €100,000 to those earning more than €50,000, but target this in certain sectors.<ul style="list-style-type: none">Make the visa fair and attractive for mid-level professionals and research employees, but target in key sectors like science and technology.Reconsider to re-introduce allowance for duty free vehicles purchases for expats to Cyprus.<ul style="list-style-type: none">Eliminate excise and other customs duties for mild and full hybrid vehicles. This will also enhance the brand of Cyprus as a green business centreReconsider social insurance contributions for expats.<ul style="list-style-type: none">It is now considered as an indirect tax without any benefit. In particular, this exception should apply in specific growth sectors (e.g. ICT, renewable energy).Apply exemption to the employer’s obligation to contribute the rate of 2% in the Social Cohesion fund.<ul style="list-style-type: none">Introduce a cap to the employee emoluments which are subject to social cohesion fund contributions. This can be applied to specific growth sectors or can have a broader application giving the increased unemployment caused by the COVID-19 pandemic.Explore how to attract more international schools to Cyprus, for example with a simplified license process. This will create additional incentives for families to relocate.					
Expected impact		Ease of implementation		Dependencies	
4		3		N/A	

Initiative Area	Fill current skills gaps with workers in STEM to underpin the implementation of Vision 2035	Owner	Ministry of Interior	Start	07/2023
Initiative ID: 132	Design a STEM visa fast track process			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The processing time for a Cyprus work visa is between 4-6 weeks from the time the Migration Department receives all required documents. However, in some cases, it can take longer – up to six months.The process involves the contracted employer in Cyprus first having to apply and receive approval from the Department of Labour. Then the employer must apply for the work permit at the Civil RegistryTo make this visa attractive to talent and competitive amongst other similar schemes, it should aim to offer flexibility, security, and opportunities for growth:<ul style="list-style-type: none">Flexibility – This visa should not be tied down to a specific employer or sector. The applicant should also be able to bring dependents along. Other countries' Tech Visas have more lax requirements for dependants of holders, for example removing any financial maintenance requirements (UK).Security – This visa should be indefinitely renewable and offer a secure pathway to permanent residence.Opportunities for growth – This visa can offer tax incentives for STEM entrepreneurs and their businesses. Both employees and business owners should be eligible under this visa, to help fill skills gaps in Cyprus's existing businesses and to advance its innovation frontier.		<ul style="list-style-type: none">Deputy Ministry Research, Innovation and Digital PolicyMinistry of Labour, Welfare and Social InsuranceTax Department, Ministry of FinanceMinistry of Foreign AffairsResearch and Innovation Foundation		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2, Reform 2, page 280Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 - 11	
Key activities					
<ul style="list-style-type: none">Simplify the work visa application process for STEM applicants with a fast track to attract foreign talent.<ul style="list-style-type: none">Offer a fast track route for STEM applicants that would allow for speedier approval.Set up a dedicated STEM visa team to ensure fast processing of applications of under one month to ensure it is competitive with other countries.The application process should be streamlined, where only one centralised application is required, without having to be tied to an employer who has to make subsequent applications.Consider the development of incentives for the repatriation of Cypriots with studies and professional expertise in STEM subjects.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">UK: Global Talent Visa (Appendix 4.2)US: STEM Visas in the US (Appendix 4.2)
				Dependencies	212

Initiative Area	Create and sustain Cyprus's brand as a destination for Digital Nomads	Owner	Ministry of Interior	Start	07/2023
Initiative ID: 133	Develop a Digital Nomad visa			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2. Reform 2, page 280Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 -11	
<ul style="list-style-type: none">The design of bespoke Cyprus Digital Nomad Visa will allow creators from around the world (non-EU digital nomads) to spend a limited number of days on the island (typically 90 days) and work independently and remotely.This scheme is particularly suitable for freelancers in the fields of data science or computing to foreign businesses while living in Cyprus.		<ul style="list-style-type: none">Deputy Ministry Research, Innovation and Digital PolicyMinistry of Labour, Welfare and Social InsuranceTax DepartmentMinistry of Foreign AffairsResearch and Innovation Foundation			
Key activities					
<ul style="list-style-type: none">Follow best practice for applications which includes the following points:<ul style="list-style-type: none">Criminal record check of the applicantProof of fundsFor employees: proof of employment from current employer with a minimum stipulated monthly salary.For business owners: proof of ownership of the company along with the monthly earnings.Determine the tax treatment of income and dividend income for nomads as well as whether any National Insurance contributions will be required.<ul style="list-style-type: none">Most countries require National Insurance contributions from nomads – the process to do so is easy because of e-government.Clarification on the treatment of dividend income for holders of the Cyprus Digital Nomad Visa (most creators set-up their own companies and draw in their earnings as dividends).					
Expected impact		Ease of implementation		Budget	
4		2		TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				56 & 134	

Initiative Area	Create and sustain Cyprus's brand as a destination for Digital Nomads	Owner	Deputy Ministry Research, Innovation and Digital Policy	Start	07/2023
Initiative ID: 134	Create a holistic Digital Nomad ecosystem			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Digital nomads are people who are location-independent and use technology to perform their job, living a nomadic lifestyle. Digital nomads work remotely rather than being physically present at a company's headquarters or office. The digital nomad lifestyle has been made possible through several innovations, including content management software, cheap Internet access through WiFi, smartphones to contact clients and employers.Digital nomads have diverse work portfolios having worked across several countries, cultures and industries and they tend to be very motivated and more productive. A strong work ethic combined with diverse work experience can be beneficial for launching innovative and entrepreneurial hubs which drive investment and economic performance for the host territory.Remote workers are economically stable and this can be an effective way to bolster your economy especially if reduced tourism revenue has led to a loss of income.This ecosystem can be used as an alternative way to tourism by attracting long-term visitors		<ul style="list-style-type: none">Ministry of InteriorMinistry of Labour, Welfare and Social InsuranceHuman Resource Development AuthorityResearch and Innovation Foundation		<ul style="list-style-type: none">Strategy for Attracting Businesses 2022-2024Strategy on Economic Diplomacy 2021-2023 - Chapter 3 - Strategic Goals, Pages 7 -11	
Key activities					
<ul style="list-style-type: none">Create living and working arrangements:<ul style="list-style-type: none">Identify a dedicated sea-side village or city-district that can become the central hub for digital nomads – it should include an array of lodging options, co-working spaces, and social activities in order to create a vibrant ecosystem of digital nomads.Invest in lodging, co-working spaces and shared office spaces to build a Digital Nomad Community:<ul style="list-style-type: none">Digital Nomads can work remotely, but also more broadly for Cypriots who may work remotely in a post-COVID digital worldThe creation of a Digital Nomad community is critical so that the nomads can cluster, share ideas, develop social and professional networks and meet others/businesses similar to them. Free and fast broadband will be critical.The ecosystem must go beyond housing options and a suitable work environment with a core set of business services, to include support programmes and other relevant lifestyle services.Implement a pre-arrival and post-arrival support programme in order to maximise the indirect benefits to the economy from digital nomads, with regular 'concierge' type support including emails suggesting necessary lifestyle services such as rental cars, lodging, professional and social networks, restaurants and events to maximise their spending.Run workshops and 'learning evenings' where nomads present and share their work, inviting businesses and academics to create synergies.Use celebrity influencers:<ul style="list-style-type: none">Use 'influencers' or YouTube based ambassadors on the internet that can trial Cyprus's infrastructure for nomads, provide feedback on the areas that need improvement to the authorities and finally promote Cyprus as a destination for digital nomads (e.g. Tim Ferris, Ali Abdaal, Nat Eliason etc.). Currently, Cyprus's presence in the virtual world as a destination for digital nomads is limited (e.g. there is no mention of Cyprus on nomadlist.com).					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Madeira: Digital Nomads Madeira (Appendix 4.2)
				Dependencies	133

Initiative Area	Building the infrastructure for Cyprus to be a European business and trade hub	Owner	Ministry of Energy, Commerce and Industry	Start	01/2024
Initiative ID: 135	Build a new business park			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus needs to build a dedicated park with specialised access to government services, customs services, local universities and specialised suppliers. The establishment of the park comes under the Government’s policy for the development of industrial zonesThe construction industry can deliver many positive spillovers for the economy, if it is concentrated in the right areas and in productive investments, for example in building infrastructure that increases efficiency and the productive capacity of the economy.To strike a sustainable balance between development and the environment, designing building standards and urban planning procedures that take into account environmental sustainability will be crucial for the new long-term strategy. This will allow construction to continue to drive growth going forward, along with a strategy that also increases the importance of other sustainable sectors		<ul style="list-style-type: none">Deputy Ministry Research, Innovation and Digital PolicyMinistry of InteriorMinistry of Transport, Communications and WorksResearch and Innovation Foundation		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investment 4, page 227	
Key activities					
<ul style="list-style-type: none">Invest in specialised business parks to attract businesses to Cyprus and encourage clustering to build Cyprus's competitive advantage.Offer concessionary target businesses – specifically, those in high tech and STEM sectors.<ul style="list-style-type: none">The clustering of businesses will also aid the work of the investment promotion taskforce, who can hold regular meetings and catch ups with businesses all in one place					
Expected impact		Ease of implementation		Budget	
3		2		TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Building the infrastructure for Cyprus to be a European business and trade hub	Owner	Research and Innovation Foundation	Start	01/2025
Initiative ID: 136	Build multipurpose spaces			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The construction industry can deliver many positive spillovers for the economy, if it is concentrated in the right areas and in productive investments, for example in building infrastructure that increases efficiency and the productive capacity of the economy.To strike a sustainable balance between development and the environment, designing building standards and urban planning procedures that take into account environmental sustainability will be crucial for the new long-term strategy. This will allow construction to continue to drive growth going forward, along with a strategy that also increases the importance of other sustainable sectors		<ul style="list-style-type: none">Department of Town Planning and Housing, Ministry of InteriorMinistry of FinanceDeputy Ministry Research, Innovation and Digital PolicyMinistry of Transport, Communications and Works		N/A	
Key activities					
<ul style="list-style-type: none">Invest in buildings where young scientists or entrepreneurs with innovative ideas can work and develop their ideas (i.e. incubators and accelerators)Provide a space where scientists and entrepreneurs can receive relevant support and guidanceGovernment should provide financial incentives and support the ecosystem that is involved in the areas around innovation and entrepreneurship in order to increase the efforts towards the investments in building multipurpose spaces					
Expected impact		Ease of implementation		Dependencies	
3		2		N/A	

Initiative Area	Improving Cyprus's air connectivity to key markets and making Cyprus a great and convenient place to do work, study, visit and live	Owner	Ministry of Transport, Communications and Works	Start	01/2022
Initiative ID: 137	Improving Cyprus's air connectivity to key markets and making Cyprus a great and convenient place to do work, study, visit and live			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus should improve its air connectivity to key markets (some of them are listed below) in order to make Cyprus a great and convenient place to do work, study, visit and liveOptimise EU connections: while links to growing places around the world are important, Cyprus should also ensure it maximises connections to key EU locationsLarge economies – such as those in the G7 and E7 outside the EU that offer significant opportunities in terms of exports, business opportunities and tourists.Africa, Asia and the Middle East – including Israel, China, India, Indonesia, Saudi Arabia, Vietnam, and Egypt. These regions offer potential due to geographical proximity and expected economic and income growth over coming decades. Specifically, there exists potential for:<ul style="list-style-type: none">Source of international tourists and studentsMarket for exports, including Cypriot speciality goods and manufacture of parts for renewable energy generationInternational business hubs – including Singapore, Beijing, as well as those in the EUKey R&D hubs – specifically Israel, given proximity and alignment to Vision 2035 (i.e. agritech, ICT)		<ul style="list-style-type: none">Ministry of Foreign AffairsMinistry of Finance		N/A	
Key activities					
<ul style="list-style-type: none">Run an airline Partnership initiative to work closely with airlines and airports to develop a strategy.Set up a taskforce to identify priority routes:<ul style="list-style-type: none">The taskforce should prioritise to the markets, Cyprus needs access to achieve Vision 2035 – for example, key R&D sectors like Israel and business capitals of the world, as well as key destinations for tourists and international students like Africa and Asia.It should also be compatible with the economic diplomacy strategy and identify three tiers: High, Medium and Low priority.Provide subsidies to airlines with the specific objective of commissioning market and competitor studies on the costs and feasibility of new routes, and detail business cases, from independent consultancies.<ul style="list-style-type: none">These market assessments should aim to answer the following questions :<ul style="list-style-type: none">➤ What is the current market for a potential route?➤ How much can the market be stimulated?➤ How will the competition react?➤ How much market share could be gained?➤ What will be the connectivity contribution?➤ Will the new route be a financial success in the long-run?Use business cases to start a dialogue with policymakers on the incentives and additional support that may be needed from the government.Provide incentives (i.e. subsidies, tax incentives) to enable new routes to be developed through the use of a Public Service Obligation. This provides a vehicle that combines state and private money (overcoming issues of state aid) to create an investment fund that can help airlines start new routes					
Expected impact	4	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">UK: Regional air connectivity Fund UK (Appendix 4.2)
				Dependencies	N/A


Additional case studies

A powerhouse of innovation

Supported by digitalisation

A greener economy

So the economy is diversified, sustainable
and more resilient




Case study: Macau (SAR)

Trade and Investment Promotion Institute

In 2002 the Macao Trade and Investment Promotion Institute (IPIM) established the Macao Business Support Centre (MBSC) to support foreign investors, particularly small to medium size enterprises (SMEs) considering undertaking FDI into Macau. The MBSC provides free office cubicles and related services, 'enabling foreign investors to become familiar with Macao's business environment and the relevant administrative procedures in a relatively short time, reducing their initial start up costs, as well as acting a channel for exchanges between local and foreign enterprises.' The MBSC provides support including applications for business start up service, overseas trade fairs and business visits, as well as provides business information service and Mainland Chinese market advisory service.

In terms of the impact of the MBSC on FDI into Macau, the MBSC claims to have helped over 1,000 businesses enter the Macau economy since 2002, receiving over 400 applications for the use of the cubicles by investors from Mainland China, Europe, Hong Kong, Southeast Asia, Taiwan and the USA. Applicants have also come from various industries, mainly Information and Technology, Biotechnology, Design, Cosmetics, Pharmaceuticals, Non-Staple Food Production, Financial Consultancy and Mechanical Products. Considering Macau's overall inward FDI, from 2001 to 2005 FDI into Macao's Cultural, recreational, gaming and other services sector grew by an average annual rate of 17.6%. In 2001 the sector captured 58% of inward FDI to Macao, which grew to 62% in 2005. FDI into Macao's hotels and restaurants sector also doubled over this period (however only accounts for around 5% of total inward FDI). Macau's annual FDI inflows increased from 1,065 million MOP (\$132 million) in 2001 to 18,519 million MOP (\$2, 301 million) in 2007, with most of the increase in foreign investment entering the Tourism and gaming industries.



Case study: Singapore

Various tax incentives for developing a business hub

In the last decade, Singapore has become a global trade, business and logistics hub and is known for being one of the easiest places to do business in the world. Singapore has offered a series of incentives aimed at encouraging MNCs to expand their capabilities in Singapore, with various tax incentives to taxpayers and corporations involved in specified activities or industries identified as being beneficial to Singapore's economic development.

For example, Singapore's Pioneer Certificate Incentive (PC) and the Development Expansion Incentive (DEI) allows corporations providing qualifying services to apply for tax exemption for five to 15 years for each qualifying project or activity under the pioneer tax incentive. Corporations may apply for their post-pioneer profits to be taxed at a reduced rate of 5% or 10% under the Development and Expansion Incentive.


The Economic Expansion Incentives Act that covers the Pioneer tax incentives, was amended in 2016 to further support 'pioneering activities'. Under the revised Act, firms that are awarded the 'pioneer certificate' by the government will be entitled to the maximum tax relief period of 15 years for each incentivised activity, instead of for the company as a whole. Previously, a firm enjoyed only one tax relief of a maximum of 15 years regardless of the number of Pioneer Certificates it has. The updated Act clarifies that a firm can be awarded multiple Pioneer Certificates when it anchors different qualifying economic activities in Singapore over time.

239 firms were awarded pioneer certificates in Singapore from 2006-2016. Between 2011 and 2015, 71 companies were awarded certificates. Total inward FDI to Singapore has grown from SGD 144 billion (\$106 billion) in 1998 to SGD 1.567 trillion (\$1.155 trillion) in 2017. High priority sectors have experienced extremely strong growth over the period. For example, Information and Communications has grown from SGD 769 million (\$566 million) in 1998 to SGD 30.5 billion (\$22.5 billion) in 2017. This reflects an increase of relative importance of inward FDI into Information and Communications, from 0.5% of total inward FDI to Singapore in 1998 to 2% of inward FDI in 2017.

Singapore also offers the Finance and Treasury Centre Incentive (FTC) to specifically encourage companies to use Singapore as a base for treasury management activities.¹ The FTC offers a reduced corporate tax rate and tax exemption from interest payments for specific activities for five years. To ensure that the arrival of MNCs also supports technology diffusion in Singapore, the Partnerships for Capability Transformation initiative encourages partnerships between MNCs and local SMEs. Hundreds of Singaporean SMEs have been able to upgrade their capabilities in this way, and the collaboration with MNCs has helped them access finance, gain market insights and achieve economies of scale.

¹ Singapore Economic Development Board, *Finance and Treasury Centre Incentive*, 2016.

² The Business Times, Kim, G. B., *Collaborations key to going global*, 2018.



Case study: Canada

Investor support services

Montreal International (MI) is a non-profit organisation established in 1996 as a public-private partnership responsible for driving economic activity in Montreal to attract foreign investment. The mission of MI is to be Greater Montréal's strategic partner for foreign investment, international organisations and talent. It advertises itself as being a single point of access for personalised, free and confidential services. Services they offer include:

- Strategic and operational advice
- Financial and tax programs
- International Mobility
- Industry expertise
- Economic Data
- Network Access

MI is jointly funded by the private sector, the Governments of Canada and Quebec, the Montreal Metropolitan Community and the City of Montreal. MI helped 48 foreign companies locate or expand in Greater Montréal in 2017, facilitating a record \$2.025 billion (CAD) in FDI, an increase of over 50% compared to 2016. Nearly 40% of these investments were in the Digital sector including from firms such as Google, Facebook, DeepMind and Thales (CortAix).

MI's other key achievements including:

- Attracting CAD\$15.5 billion in foreign direct investment to Montreal since 1996
- Creating and/or retaining 65,000 jobs
- Helped almost half of the 65 international organisations in Montreal establish themselves
- Helped over 650 foreign companies set up or expand their operations
- Helped more than 10,000 strategic international workers relocate to the region
- Greater Montréal also won FDI Magazine's (Financial Times) award for best foreign direct investment strategy in the Digital Economies of the Future ranking

3.3.9

Just and inclusive society

With a world class education system

With an excellent and accessible healthcare system

Adheres to the rule of law and combats corruption

Which promotes liveability, equal access and opportunities for all

We have evaluated and mapped all initiatives under the “world class education system” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “world class education system” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Forge a strong link between education and business to build in demand skills	Owner	Ministry of Education and Culture	Start	01/2022
Initiative ID: 138	Create sector-specific skills councils to identify the necessary interventions required to upskill existing workforce			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> A number of labour market outcomes suggest structural issues in the Cypriot education system. <ul style="list-style-type: none"> Vertical skills mismatch: Cyprus has one of the highest proportions of tertiary educated graduates employed in low-skilled jobs, with around 1/3 of university graduates employed in occupations that do not require tertiary education. This suggests either over-qualification (i.e. vertical skills mismatches) or that businesses are not generating high quality jobs. Horizontal skills mismatch: Workers being employed in occupations unrelated to their field of study is highly prevalent in Cyprus, even in sectors which require high levels of technical competency including computing, science and mathematics. This reflects the lack of collaboration between the Cypriot education system and businesses, and relatively low levels of adult education and training. NEET rate: Cyprus has relatively high levels of young people not in education, employment or training (NEET) – 13% in 2018, higher than EU average of 10%. This partly reflects a lack of upskilling and reskilling opportunities. Temporary employment: Around 14% of employees are engaged in temporary employment, although this is in line with the EU average. Of concern in Cyprus is that 93% of temporary workers cited the reason as not being about to find permanent work – this compares to 50% in the EU on average. These outcomes reflect, in part, the weak link and lack of collaboration between education providers and businesses. 		<ul style="list-style-type: none"> Ministry of Labour, Welfare and Social Insurance Representatives of Higher Education Institutions Human Resource Development Authority (HRDA) Employers' representatives (e.g. the Cyprus Employers and Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.) Statistical Service of Cyprus Student Unions 		<ul style="list-style-type: none"> Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 1, page 452 Strategy for Attracting Businesses 2022-2024 	
Key activities				Budget	
<ul style="list-style-type: none"> Designate sector-specific skills councils as the decision-making groups to develop solutions to skills gaps and aligning the education sector with Cyprus's Vision 2035. The councils should be forward looking, ensuring that future skills and gaps are anticipated and appropriately planned for, given the lag of interventions in the education system translate into the labour market. A key role of the councils will be to critically assess the current school and university curricula and ways of teaching, to identify areas for improvement – this applies to both general and vocational education, but with a key focus on co-designing the latter as the country's vocational education programme is expanded. <ul style="list-style-type: none"> Objectives of and activities conducted by the sector skills councils should include: <ul style="list-style-type: none"> identifying the skills required by a modern labour market both today and in the future – and mapping these to what currently exists in the Cypriot labour market identifying gaps in education and training (both schools and adult education) and how to fill these gaps to build the skills needed improving learning by bringing students and employers together through apprenticeships and mentorships, and identifying R&D opportunities with universities and designing a research programme with business and commercial relevance. 				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				<ul style="list-style-type: none"> UK: Sector skills councils (Appendix 4.2) 	
				Dependencies	
				N/A	
Expected impact	4	Ease of implementation	4		

Initiative Area	Take a long term view to the skills and knowledge that will underpin Vision 2035 and the Cyprus economy for decades to come	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2023
Initiative ID: 139	Develop a long-term national skills strategy			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Though Cyprus spends a relatively large amount of its GDP on education, at 5.4% in 2019 compared to the EU average of 4.7%, the education system has been unable to convert this high spending into strong and internationally comparable educational outcomes .<ul style="list-style-type: none">Cyprus underperforms the EU average in the Programme for International Student Assessment (PISA) results for science, mathematics and reading (OECD, PISA 2018 Results: Combined executive summaries, 2018.). Cyprus's average score across the three subjects is 438, compared to 485 in the EUCyprus has one of the lowest shares of individuals aged 15 and above with basic digital literacy skills in the EU.Other areas of underperformance suggest that current educational machinery is inefficient, and not making best use of large resources (European Commission, Education and Training Monitor 2019: Cyprus, 2019.)<ul style="list-style-type: none">Around a fifth of total private education expenditure is spent on supplementary education. Poorer households are almost as likely as high-income families to invest in private tutoring, providing further evidence of broad shortcomings in the Cypriot education system. More importantly this contributes to higher inequality in Cypriot society as private tutoring is essentially considered as a supplemental fixed tax per child which disproportionately affects those on low earnings. It could also be a factor that contributes to Cyprus's low fertility rate.Proportion of schools with a high provision of digital equipment per student is lower than EU average.Early childhood education and care is underfunded – only 3% of day care centres in 2017 were government-backed.The Cypriot education system is predominantly focused on knowledge. In order to prepare students for university, the school curriculum is centred around learning content and preparing for written examinations. As a result, practical education, or education which lends itself to developing skills which will be valuable in the workplace, is overlooked.The Cypriot education system urgently needs to be modernised and move away from being a knowledge-based, rote curriculum to also incorporating skills-based learning that equips young people with core transferable skills, such as critical thinking, creativity, dexterity and problem solving – skills that can be applied in any sector and ensure that students are job-ready.These core transferable skills are increasingly important in a dynamic and modern workplace, where people are unlikely to remain in one career or sector for their whole working lives. Students need to be equipped with the skills to be flexible and agile, boosting the resilience of the economy in turn.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceHuman Resource Development Authority,Sector-specific skills councils (to be developed under ID138)Skills Advisory Board (to be developed under ID140)Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)Representatives of Higher Education InstitutionsStudent Unions		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) – Component 5.1, Reform 1, page 452Strategy for Attracting Businesses 2022-2024	
Key activities				Budget	TBD
				Funding source	Some funds are available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	138 & 140
Expected impact	4	Ease of implementation		5	

Initiative Area	Take a long term view to the skills and knowledge that will underpin Vision 2035 and the Cyprus economy for decades to come	Owner	Ministry of Education, Culture, Sport and Youth	Start	10/2022
Initiative ID: 140	Set up a cross-government skills Advisory Board			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Though Cyprus spends a relatively large amount of its GDP on education, at 5.4% in 2019 compared to the EU average of 4.7%, the education system has been unable to convert this high spending into strong and internationally comparable educational outcomes .<ul style="list-style-type: none">Cyprus underperforms the EU average in the Programme for International Student Assessment (PISA) results for science, mathematics and reading (OECD, PISA 2018 Results: Combined executive summaries, 2018.). Cyprus's average score across the three subjects is 438, compared to 485 in the EUCyprus has one of the lowest shares of individuals aged 15 and above with basic digital literacy skills in the EU.Other areas of underperformance suggest that current educational machinery is inefficient, and not making best use of large resources (European Commission, Education and Training Monitor 2019: Cyprus, 2019.)<ul style="list-style-type: none">Around a fifth of total private education expenditure is spent on supplementary education. Poorer households are almost as likely as high-income families to invest in private tutoring, providing further evidence of broad shortcomings in the Cypriot education system. More importantly this contributes to higher inequality in Cypriot society as private tutoring is essentially considered as a supplemental fixed tax per child which disproportionately affects those on low earnings. It could also be a factor that contributes to Cyprus's low fertility rate.Proportion of schools with a high provision of digital equipment per student is lower than EU average.Early childhood education and care is underfunded – only 3% of day care centres in 2017 were government-backed.The Cypriot education system is predominantly focused on knowledge. In order to prepare students for university, the school curriculum is centred around learning content and preparing for written examinations. As a result, practical education, or education which lends itself to developing skills which will be valuable in the workplace, is overlooked.The Cypriot education system urgently needs to be modernised and move away from being a knowledge-based, rote curriculum to also incorporating skills-based learning that equips young people with core transferable skills, such as critical thinking, creativity, dexterity and problem solving – skills that can be applied in any sector and ensure that students are job-ready.These core transferable skills are increasingly important in a dynamic and modern workplace, where people are unlikely to remain in one career or sector for their whole working lives. Students need to be equipped with the skills to be flexible and agile, boosting the resilience of the economy in turn.		<ul style="list-style-type: none">All Line MinistriesSector-specific skills councils (to be developed under ID138)Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)Human Resource Development Authority,Representatives of Higher Education InstitutionsStudent Unions		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) – Component 5.1, Reform 1, page 452Strategy for Attracting Businesses 2022-2024	
Key activities				Budget	TBD
<ul style="list-style-type: none">Set up a cross-government skills Advisory Board. This Advisory board should be led by the Ministry of Education and the sector skills councils, but it should report to a cross-government group given the importance of skills to each Ministry (i.e. tourism, digital). The Advisory Board should:<ul style="list-style-type: none">Provide the government with up to date information, data and advice on the labour market and skills gaps.Work closely with the sector skills councils to review and support regular skills analysis and data collection.Prepare annual reports on the state of skills in Cyprus, against the needs identified in the national skills strategy (ID188)				Funding source	Some funds are available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	138
Expected impact	3	Ease of implementation		5	

Initiative Area	Update Cyprus's primary and secondary school curriculum to be fit for a modern workplace and Vision 2035	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2022
Initiative ID: 141	Update Cyprus's primary and secondary school curriculum to be fit for a modern workplace and Vision 2035			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are a number of identified gaps in the Cypriot education curricula, with five top priorities. These priorities should be mandatory for all students, with learning beginning at primary school in many cases. They should be new subjects added into the curricula, but core elements of these new subjects should also be incorporated more widely across the existing curricula, for example, adding digital projects to other lessons, and additional learning about climate change in science and geography.Implementing a new school curricula is a very complex process, involving many stakeholders, and must be carefully managed to minimise disruption to exam preparation of current students. The Ministry of Education should hold the reins on the content of the refreshed curriculum while collaborating with education providers, sector councils and international experts.		<ul style="list-style-type: none">Committee on Educational Affairs and Culture of House of RepresentativesCyprus Pedagogical InstituteTeachers' UnionsParents' AssociationsStudent UnionsInspectors' UnionsRepresentatives of universitiesEmployers' representatives (e.g. the Cyprus Employers and Industrialists Federation (OEB), the Cyprus Chamber of Commerce and Industry (KEBE) etc.)Sector-specific skills councils (to be developed under ID138)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 4, page 464Strategy for Attracting Businesses 2022-2024	
Key activities (continued on the next page)					
<ul style="list-style-type: none">Refresh the curricula of the primary and secondary schools to be fit for a modern workplace and Vision 2035. To do so the following steps should be followed:<ol style="list-style-type: none">Request support from the EU to provide analysis and information, including cross-country comparisons of school calendars, teacher salaries, and national education policies, to assist education systems in decision-making. In order to develop an inclusive school curriculum which both enriches students and targets future skills gaps, Cyprus should make use of resources and data available to them through this network.Engage with teachers unions early and involve them in decision-making and the changes made to the curricula. Ensuring their support is critical to the successful implementation of a new curricula. The case for change should be clearly articulated, as well as the expected benefits to teachers, students and the economy. Together, the Ministry of Education and teachers' unions should clearly set out what the ask of teachers is (i.e. additional CPD) and what support they will have without, however, detracting from the overall objective of the policy which is to upgrade the quality of teaching on offer.Set out a clear roadmap for the implementation of the new curricula and how this will be phased in. The end date for full implementation should be no later than the 2025 academic year. For each academic year until then, it should set out the changes that are being phased in and the recommended CPD. This will give teachers, students and parents time to adjust to the changes and prepare. New curricula details should be shared one academic year early to allow for preparation.Run teachers training. Training days should be set up in the summer for the new curricula, involving case studies and practical experience. New CPD courses should also be designed, allowing teachers to develop their skills and experience in these new subjects – completing a certain amount of this CPD mandatory. This training should aim to be delivered flexibly, for example online learning, and practically, for example incorporated into providing after school activities.Launch a national after-school extra-curricular programme (see ID 143 for more details). A key step to updating the curriculum is to secure buy-in and engagement from teachers, parents and students. A new national programme of extracurricular activities is a way to test ideas and ways of teaching and to generate buzz for new skills and subjects. It is also a way of catering to students who may leave school before the new curricula is fully phased in.Mandate reviews of the curriculum every 3 years. The curriculum update proposed is large-scale and a once-in-a-decade update, requiring the addition of new subjects and way of teaching – necessary given the outdated nature of the Cyprus's curriculum. However, there are smaller changes which should be regularly made to the curriculum to keep it up to date with economic and social developments, for example, updating readings lists to reflect cultural and ethnic diversity. A regular review of the curriculum should be conducted at least every three years, with the Ministry of Education monitoring changes that other EU countries make to their curriculum and preparing recommendations.					
Expected impact	5	Ease of implementation	1	Budget	
				TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				138, 143 & 180	

Initiative Area Initiative ID: 141 <i>continued</i>	Update Cyprus's primary and secondary school curriculum to be fit for a modern workplace and Vision 2035	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2022
	Update Cyprus's primary and secondary school curriculum to be fit for a modern workplace and Vision 2035			End	12/2024
Key activities (continued)					
<ul style="list-style-type: none">The following areas should be included in the new primary and secondary school curriculum:<ul style="list-style-type: none">Environmental education Students should learn about individual sustainable behaviours, the circular economy and climate change. Environmental awareness and a better understanding around the individual's role in conserving and protecting natural resources should be developed starting from a young age. It should highlight the effects climate change will have on Cyprus and the positive contribution that individuals can play to mitigating those adverse effects.Digital literacy ICT has become an integral part of almost every job in the modern labour force. Students should learn how to use standard software for word processing, data processing and creating presentations. There should be practical courses to introduce them to coding, machine learning and AIPersonal, relationships, social, health and economic education Relationships education should be taught in primary schools, educating young students on how to manage healthy and respectful relationships. In addition, health education should be offered to secondary school students focusing on healthy lifestyles, mental health and risks such as drugs and alcohol. Care should be taken to ensure that the learning is taught sensitively and inclusively, with respect to backgrounds and beliefs.Financial literacy Economic education should develop financial skills such as money management, budgeting and investment. Students will learn about basic financial instruments such as savings accounts, credit cards and stocks. This will better equip the incoming cohort of business owners, home buyers etc. to act on financial best practice.Entrepreneurial education These courses can focus on business building and management, as well as broader education around consumerism and supply chains. More widely, entrepreneurial education should teach students how to be creative, opportunity-oriented and innovative and set guidelines for personal development in these areas.					
Indicative links to other national plans / strategies / studies					
<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 4, page 464Strategy for Attracting Businesses 2022-2024					
Budget					
TBD					
Funding source					
Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.					
Case studies					
N/A					
Dependencies					
138, 143 & 180					
Expected impact		5			
Ease of implementation		1			

Initiative Area	Update Cyprus's primary and secondary school curriculum to be fit for a modern workplace and Vision 2035	Owner	Cyprus Pedagogical Institute	Start	07/2023
Initiative ID: 142	Establish an ‘Innovating pedagogy’ working group within the Cyprus Pedagogical Institute to modernise ways of teaching by exploring innovative models of pedagogy			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Preparing young people for a changing workplace means reviewing and updating the methods and techniques that teachers use. At a high level, this means overhauling rote learning which focuses on knowledge, with new dynamic approaches that develop core skills in students, for example analytical, leadership and communication capabilities.		<ul style="list-style-type: none">Committee on Educational Affairs and Culture of House of RepresentativesTeachers’ UnionsParents’ AssociationsStudent UnionsInspectors’ UnionsRepresentatives of universities		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 2, page 459	
Key activities					
<ul style="list-style-type: none">Establish an ‘Innovating pedagogy’ working group within the Cyprus Pedagogical Institute. It should be tasked to review alternative and emerging models of pedagogy and prepare recommendations. The ‘Innovating pedagogy’ working group should:<ul style="list-style-type: none">Draw resources from research and case studies of new innovations in teaching methods. For example:<ul style="list-style-type: none">The OECD has identified six clusters of innovative pedagogies for powerful learning (OECD, Teaching in Focus #21: What does innovation in pedagogy look like?) These include:<ul style="list-style-type: none">Experiential learning – focusing on process discovery and project-based learningEmbodied learning – focusing on creativity and emotions through arts and design-based learningComputational thinking – understanding how scientists use computers to frame thinking and solve real problemsMultiliteracies and discussion-based learning – fostering critical thinking and questioningThe Open University series of eight Innovating Pedagogy reports. More specifically, in a recent report, it discusses the experiences of the National Institute for Digital Learning at Dublin City University, Ireland, in new approaches involving artificial intelligence, multisensory learning and social justice pedagogy (Open University, Innovation Report 8 – Innovating Pedagogy, 2020.).Aim to prepare a report on the value of new methods, the practicalities of implementing them within a curriculum and the expected outcomes.Assign pilot schools in which new teachers are trained new methods and these are trialled and developed with students in certain classes.					
Expected impact		Ease of implementation		Budget	
3		5		TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Drive engagement from teachers, students and parents with a national after curricula programme for primary and secondary schools	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2023
Initiative ID: 143	Launch a national after school programme of activities, clubs and certifications			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Implementing a new school curricula is a very complex process, involving many stakeholders, and must be carefully managed to minimise disruption to exam preparation of current students. The Ministry of Education should hold the reins on the content of the refreshed curriculum while collaborating with education providers, sector councils and international experts.To supplement the phase in of new curriculum, the government should design and launch a new after school programme.		<ul style="list-style-type: none">Ministry of FinanceCyprus Pedagogical InstituteEmployers' representatives (e.g. the Cyprus Employers and Industrialists Federation (OEB), the Cyprus Chamber of Commerce and Industry (KEBE) etc.)Sector-specific skills councils (to be developed under ID138)Charities and non-profit organisations running such programmes		N/A	
Key activities					
<ul style="list-style-type: none">Design and launch a new after school programme that organises the following:<ul style="list-style-type: none">Societies, projects, and prizes, such as a debate society and Dragon Den's style entrepreneurs clubs.Competitions between schools in local areas, for example cooking competitions, or designing sustainable solutions for schoolsEncouraging schools to link up with local businesses to design projects that are relevant to their local community and the workplace, getting children excited about new careers and doing applied learning <p>This reform should be led by the Ministry of Education, in collaboration with the Cyprus Pedagogical Institute (CyPI), schools and local and potentially international businesses that are thinking of relocating to Cyprus. Actions that can be taken include:</p> <ul style="list-style-type: none">➤ Take stock of current offerings and societies and identify key gaps, drawing on sector councils to identify the skills needed (i.e. entrepreneurial).➤ Reach out to charities and non-profit organisations who already run such programmes and understand the potential for scaling these up on a national or regional basis. At the same time, government should work with existing providers of these programmes to mitigate the chance of redundancies and gaps– e.g. multiple similar environmental courses being offered, but no offering in financial literacy.➤ Create certifications based on attendance and participation (i.e. presentations and projects). This will increase the engagement of both students and parents.➤ Offer financial and reputational incentives to schools and teachers to roll out the programme. This can include bursaries for simple materials and equipment, or wage bonuses for teachers who facilitate activities.➤ Consider embedding participation in activities into CPD, for example, enabling teachers to learn about how to teach entrepreneurship – creating additional incentives for teachers to participate.					
Expected impact		Ease of implementation		Case studies	
3		3		N/A	
				Dependencies	
				138	

Initiative Area	Create a modern schooling system and infrastructure to provide the right foundations for a new curriculum	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2025		
Initiative ID: 144	Invest in modernising school infrastructure to match a new skills oriented curriculum			End	12/2028		
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies			
<ul style="list-style-type: none">A new curriculum needs to be supported by the right infrastructure. Classrooms that promote team working and collaboration over individual participation are the future and well matched to developing skills such as collaboration, critical thinking, negotiation, judgement and decision making, all of which the education system in Cyprus should focus on.		<ul style="list-style-type: none">Ministry of Transport, Communication and Works					
Key activities							
<ul style="list-style-type: none">Invest in modernising school infrastructure to match a new skills oriented curriculum:<ul style="list-style-type: none">Re-think layouts to be more collaborative (i.e. how working environments have evolved over the years from boots to open common spaces).Invest in equipment that fosters collaboration, such as interactive whiteboards.Aim for infrastructures that look good, modern and welcoming. Buildings:<ul style="list-style-type: none">that are fit for purpose and able to meet educational needs effectively;which encourage inclusion of all people, and in particular pupils with special educational needs;that are flexible in their use and support new technologies and ICT provision;that are sustainable in design, so that they limit environmental damage.							
Expected impact		2	Ease of implementation		3		
				Dependencies			
				145			

Initiative Area	Create a modern schooling system and infrastructure to provide the right foundations for a new curriculum	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2024
Initiative ID: 145	Invest in digital equipment and technology for schools			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">To support digital literacy in schools, students must be equipped with the technology to enable this learning and engage in practical learning.Digital equipment will also be key to innovating ways of teaching.Used to support both teaching and learning, technology infuses classrooms with digital learning tools, such as computers and hand-held devices; expands course offerings, experiences, and learning materials; supports learning 24 hours a day, 7 days a week; builds 21st century skills; increases student engagement and motivation; and accelerates learning. Technology also has the power to transform teaching by ushering in a new model of connected teaching. This model links teachers to their students and to professional content, resources, and systems to help them improve their own instruction and personalize learning.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyMinistry of Transport, Communication and WorksMinistry of FinanceInnovating Pedagogy working group (to be established under ID142)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 4, page 464	
Key activities					
<ul style="list-style-type: none">Invest in digital equipment and technology for schools:<ul style="list-style-type: none">Allocate schools with a certain budget to invest in digital equipment in schools, e.g. computer labsAllocate a certain budget to provide targeted aid for lower-income students who do not have regular access to such equipment at home.Investments in digital equipment should be closely aligned to recommendations from the Innovating Pedagogy working group (see ID 142).Consider:<ul style="list-style-type: none">Online learning opportunities that range from supplementing classroom instruction on an occasional basis to enrolling students in full-time programs.Electronic grade books, digital portfolios, learning games, and real-time feedback on teacher and student performance, are a few ways that technology can be utilized to power learning.					
Expected impact		Ease of implementation		Dependencies	
3		4		142	

Initiative Area	Create a modern schooling system and infrastructure to provide the right foundations for a new curriculum	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2030
Initiative ID: 146	Introduce all day schools in secondary education to align the school and work day and supplement all-day schools in primary education			End	12/2031
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies • Cyprus Recovery and Resilience Plan (RRP) - Component 5.2, Investment 2, page 492 and Investment 4, page 500	
<ul style="list-style-type: none">Supportive teaching through all-day schools offer integrated learning to the students, while they also benefit their parents/guardians as it will match the class schedule to their work schedule, enabling smooth participation in the labour market, especially for women.Currently, all-day schools are already in operation in primary schools on either an optional or compulsory basis. All-day schedules are usually implemented four times a week, incorporating additional classes for homework time, supportive teaching and optional subjects of interest.		<ul style="list-style-type: none">Primary and secondary schoolsTeachers' unionsStudents' unionsMinistry of Labour, Welfare and Social Insurance			
Key activities		<ul style="list-style-type: none">Introduce all-day schools in secondary education for students to fill in gaps, improve their understanding of the subject matter and reduce their risk of lagging in understanding the material.<ul style="list-style-type: none">Promote the creation of groups of students with special interests, enabling them to participate in extracurricular activities.Supplement all-day school in primary education with extracurricular activities i.e. Offer after-school activities on the remaining day where an all-day schedule is not currently implemented.			
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	143

Initiative Area	Create a modern schooling system and infrastructure to provide the right foundations for a new curriculum	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2024
Initiative ID: 147	Address underfunding in early childhood education and care			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Participation in early childhood education and care is gradually moving towards the EU average, at close to 95%. But public early childhood education and care remains underfunded; of 220 day care centres in 2017, 70% were privately funded, 25% were subsidised by municipalities and only 6 were publicly funded (European Commission, Education and Training Monitor 2019: Cyprus, 2019).Enrolment in affordable Early Childhood Education and Care (ECEC) programmes improves learning outcomes (knowledge, skills and competences).Compulsory pre-primary education in Cyprus is currently offered free of charge to children aged four years and eight months and over, who attend public kindergartens.An extension of free compulsory pre-primary education from the age of four years would guarantee equal opportunities by reducing financial barriers to accessing education. Furthermore, it would encourage and motivate families to enrol their younger children at kindergartens and would facilitate the entry/re-entry into the labour market of persons with childcare responsibilities, especially of women.However, the challenge that would arise if this reform was implemented is that public schools would only be able to accept part of the estimated number of applications due to infrastructure limitations.Therefore applicants would have to be allocated to community and private kindergartens according to criteria and special agreements.		<ul style="list-style-type: none">Ministry of FinanceMinistry of Labour, Welfare and Social InsurancePrivate kindergartensSchool and Parents’ Boards and Trade unionsLegal Service of the Republic of Cyprus		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 3, page 461	
Key activities					
<ul style="list-style-type: none">Extend free compulsory pre-primary education from the age of four:<ul style="list-style-type: none">Increase government funding for this purpose by feeding the investments through to local nurseries and childminders. For example, grants could be provided by the government to private kindergartens, under agreements, in order to cover the tuition fees of children that will enrol in community and private kindergartens.Amend the Law regarding compulsory education and the Regulations regarding the operation of public schools accordingly, in cooperation with the Legal Service of the Republic of Cyprus.					
Expected impact		4		Ease of implementation	
		4			

Budget	
Funds secured through the Recovery and Resilience Fund (RRF)	
Funding source	
Recovery and Resilience Fund (RRF)	
Case studies	
N/A	
Dependencies	
N/A	

Initiative Area	Transform the education system with a curriculum and infrastructure designed to develop skills for a modern workplace	Owner	Ministry of Education, Culture, Sport and Youth	Start	07/2022
Initiative ID: 148	Design and introduce a new teaching framework that focuses on new skills and competencies			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Any changes in the curriculum proposed under VIsion 2035 (ID141) need to be underpinned by a new teaching framework that should aim to:<ul style="list-style-type: none">Guide teachers in their professional development to ensure they have the right skills,Ensure that teachers are teaching in line with Vision 2035, andEnsure that teachers are continually striving for growth through goal-setting and self-reflection.		<ul style="list-style-type: none">Teacher UnionsParents UnionsInspectors' UnionsCyprus Pedagogical Institute		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 2, page 459Strategy for Attracting Businesses 2022-2024	
Key activities					
<ul style="list-style-type: none">Design and introduce a new teaching framework to reflect the changes to the curriculum. Consider the following when designing the new teaching framework:<ul style="list-style-type: none">Clearly identify desired outcomes for teaching and learning,Determine what evidence can be used to assess performance against the teaching framework,Take account of the need to build out core ‘soft’ skills and other life skills including collaboration, critical thinking, negotiation, judgement and decision making so that the workforce offers the skills required by multinational corporations .					
Expected impact	3	Ease of implementation	3	Dependencies	
				141	

Initiative Area	Transform the education system with a curriculum and infrastructure designed to develop skills for a modern workplace	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2028
Initiative ID: 149	Promote equal educational outcomes across the country with incentives for high-performing teachers to teach in rural areas			End	06/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Rural communities often get overlooked by teachers for the more convenient, centrally located and larger district areas. More so than in urban areas, where other institutions hold a dominant role, rural schools often are the nerve center of rural communities.Under Cyprus's centralised system, the Ministry for Education allocates teachers to schools, with no teacher being allowed to stay for more than six years in one primary institution, or more than eight years in a secondary school. As with most public services in Cyprus, length of service is the key metric of merit, which determines preferences for transfers. This leaves remote or disadvantaged schools, as the least preferred, with novice and potentially inexperienced teachers.		<ul style="list-style-type: none">Ministry of FinanceTeacher Unions			
Key activities					
<ul style="list-style-type: none">Introduce financial and other incentives for experienced and high-performing teachers to move to rural areas and raise the performance of the rural schools. For example:<ul style="list-style-type: none">Consider offering a differentiated pay plan (i.e. increased salaries) for teachers of rural schools.Providing increased allowances, housing, transportation, continued education and promotions.Communicating and actively promoting the strengths of rural areas that are typically overlook, including a very strong sense of community and lots of opportunity for teachers and other educators looking to make a difference.Awarding high-performing teachers with awards such as “Teacher of the year”.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Transform the education system with a curriculum and infrastructure designed to develop skills for a modern workplace	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2023
Initiative ID: 150	Better align promotion and training cycles for teachers			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The teachers' evaluation system which dates to 1976 needs to be modernised in order to provide incentives for teachers to systematically retrain and improve their skills. Currently, teachers are promoted and then trained for their new role. This cycle should be reversed – teachers must demonstrate new grade capabilities through training prior to promotion.The Ministry of Education, Culture, Sport and Youth has already tabled a proposal drafted by a scientific committee. A future agreement on the framework of the new evaluation system will be validated by a relevant decision of the Council of Ministers and a revised legislation bill will be submitted to the House of Representatives. A single evaluation scheme will be developed for Primary, Secondary and Technical and Vocational Education with differentiated elements, according to the distinctive features of each level of education.		<ul style="list-style-type: none">Cyprus Pedagogical InstituteTeacher UnionsInspectors' UnionsParents' UnionsPublic Administration and Personnel Department (PAPD)			
Key activities					
<ul style="list-style-type: none">As part of a new teacher and school evaluation system, better align promotion and training cycles for teachers:<ul style="list-style-type: none">Upskill teachers through appropriate training prior to promotions. A schedule for available training within promotion cycle should be made available for teachers.Set up an annual promotion cycle with predefined dates and milestones.Communicate the promotion cycle/schedule clearly as it will be key to creating confidence in the new cycle.					
Expected impact		Ease of implementation		Dependencies	
5		3		148 & 152	

Initiative Area	Transform the education system with a curriculum and infrastructure designed to develop skills for a modern workplace	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2024
Initiative ID: 151	Accelerate implementation of teaching appointment regulation			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In 2017, legislation was passed to shift the previous waiting-list process of teacher recruitment to a merit-based process with recruitment exams. According to this legislation, from September 2018 to August 2027, 50% of teacher appointments will be made using wait lists and 50% made using the new merit-based approach. Post-2027, all recruitments will be made based on merit.		<ul style="list-style-type: none">Teacher UnionsPublic Administration and Personnel Department (PAPD)Public Service Commission (Επιτροπή Δημόσιας Υπηρεσίας)		<div>N/A</div>	
Key activities					
<ul style="list-style-type: none">Accelerate implementation of teaching appointment regulation by:<ul style="list-style-type: none">Re-entering discussions with teaching unions to accelerate transition into a fully merit-based recruitment process prior to 2027. This will support the transition of Cyprus’ education system into a modern and fair workplace for teachers.Set up a taskforce within the Ministry of Education to drive this effort and transition.Drafting and agreeing through negotiation with the Teachers’ unions a new implementation plan for the transition into a fully merit-based recruitment with an accelerated timeplan.Outlining a communication plan addressing appropriately all stakeholders with stake in this reform (e.g. Teachers’ unions, teachers, society at large).					
Expected impact	4	Ease of implementation	2	Dependencies	
				11 & 148	

Initiative Area	Transform the education system with a curriculum and infrastructure designed to develop skills for a modern workplace	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2023
Initiative ID: 152	Reintroduce and modernise mandatory teacher induction and continuous professional development (CPD) training			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The amount of control teachers have over their own teaching practice, as well as the types of incentives they are offered during the course of their teaching career, can greatly influence their performance in the classroom.To enhance teaching quality, requirements for induction and continuous professional development (CPD) training should be formalised.		<ul style="list-style-type: none">Teacher UnionsPublic Administration and Personnel DepartmentPublic Service Commission (Επιτροπή Δημόσιας Υπηρεσίας)Cyprus Pedagogical Institute (CyPI)		<div>N/A</div>	
Key activities					
<ul style="list-style-type: none">Formalise teachers’ requirements for induction and CPD training. This may involve:<ul style="list-style-type: none">Requiring that head teachers must have postgraduate certificates in education in order to ensure that leaders in the education system are keeping abreast with modern teaching techniques.Identifying areas of training.Identifying international certifications relevant to the areas of training identified.Supporting teachers to design and teach their own curriculum to each other in order to sit and pass the international certifications’ exams.Monitoring training results by introducing key training KPIs to measure the success of training programmes and feeding this into teacher appraisal and promotion cycles					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	<div>N/A</div>
				Dependencies	11, 148 & 150

Initiative Area	Drive quality education with annual assessments of primary and secondary schools	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2025
Initiative ID: 153	Assess primary and secondary schools at least on an annual basis and against a set of robust and consistent criteria across the country			End	12/2026
Context		Indicative contributing stakeholders			
<ul style="list-style-type: none">Currently, schools are not assessed in Cyprus. This opens up for disparities in teaching quality and a lack of incentives for school leadership and teachers to improve.To ensure the successful implementation of the revised curriculum and drive quality education, schools must be assessed at least on an annual basis against a robust and consistent set of criteria across the country.		<ul style="list-style-type: none">Teacher UnionsParents UnionsInspectors' UnionsCyprus Pedagogical Institute (CyPI)Primary and secondary schools			
Key activities					
<ul style="list-style-type: none">Establish an independent inspector body tasked to develop assessment criteria based on international best practice (e.g. judgements on quality of education, behaviours and attitudes, personal development and leadership and management). The body should be a new entity and not linked to the current body that conducts assessments of teachers. It could be outsourced to a professional education organisation.Conduct initial survey of quality of data-recording in schools. For schools which are not performing up to standards required by the independent inspector body, a milestone plan should be required outlining how they will achieve sufficient data standards.Develop a framework of common outcomes for schools to be assessed against. These outcomes should include standards such as academic performance, attendance, teaching quality but also further metrics such as student and teacher wellbeing and parent engagement. Consider outsourcing the development of a set criteria to a professional education organisation.Assess schools against these independent criteria at least on an annual basis and publicise school ranks against these criteria using open data. Consider outsourcing the assessments to a professional education. Schools should be assessed against minimum standards, and should be given bronze/silver/gold for performance above minimum standards for different aspects of the criteria. Assessors should have the option of conducting unannounced inspections.Set a clear timeline for when assessments will begin following communication of criteria. This should be no later than the 2025 academic year if Cyprus is expected to reap the benefits.Place under-performing schools under special measures where the Ministry of Education intervenes directly. More frequent visits should be put in place by inspectors until they are removed from this category.					
Expected impact		Ease of implementation		Budget	
2		3		TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Invest in vocational education with a clear link to Vision 2035	Owner	Department of Secondary Technical and Vocational Education (Ministry of Education, Culture, Sport and Youth)	Start	07/2023
Initiative ID: 154	Build new vocational secondary schools and re-establish a Higher Technical Institute			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> Cyprus has a correspondingly low share of pupils enrolled in vocational education and training (VET), with only 17% of pupils in upper secondary education enrolled in vocational courses, compared to an EU average of almost 50% Vocational training is an important way to better engage businesses and prospective workers and design education programmes that develop the skills businesses need. Yet there are two prominent barriers to VET in Cyprus. <ul style="list-style-type: none"> Firstly, the cultural norms which view university education as more prestigious than other qualifications limit enrolment. Secondly, there are persistent shortcomings in the delivery of Cyprus's VET system that prevent the successful development of the skills that businesses need. For example, none of the VET programmes in Cyprus combine school with work-based programmes and experience (European Commission, Education and Training Monitor 2019: Cyprus, 2019.) Most of Cyprus's technical schools are operating at full capacity, with 100-120 potential pupils denied entry to technical schools each year due to overcapacity (Department of Secondary Technical and Vocational Education, 2020). In addition, most vocational secondary schools are currently located in urban areas, limiting access for those living in suburban areas. To address both the quantity and quality issues of vocational education in Cyprus, it is recommended that new schools are built to provide more opportunities for young persons to attain relevant and high quality vocational education and training 		<ul style="list-style-type: none"> Sector-specific skills councils (to be developed under ID140) Ministry of Transport, Communication and Works 		<ul style="list-style-type: none"> Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Investment 1, page 471 Strategy for Attracting Businesses 2022-2024 	
Key activities				Budget	TBD
<ul style="list-style-type: none"> Construct new vocational secondary schools: Increase the provision of vocational schools for upper secondary education (ages 15-18). New vocational schools should be constructed in key suburban areas, following in-depth survey research to identify a location which will maximise demand. Re-establish the Cyprus Higher Technical Institute: It is important to also offer students technical alternatives to university. Cyprus had a Higher Technical Institute in the past, but it was discontinued. Authorities should consider the reasons why the HTI was discontinued and learn from best practice from other countries. <p>Key features and principles of the vocational education and training should include (see IDs 155-157 for more details on the below):</p> <ul style="list-style-type: none"> Curriculum and courses should be designed in collaboration with industry through the sector councils and consistent with Vision 2035. Courses should involve a mix of basic education dealing with technical aspects, and practical training held ideally at the premises of future employers. Qualifications from vocational secondary schools should be equal to that from non-vocational secondary schools, giving students equal access to university and challenging societal perceptions of a two-tier education system. The delivery of courses should involve collaboration with businesses, for example work placements and mentoring programmes (e.g. in-company vocational qualifications). The schools should also form a base for the provision of adult education (i.e. evening classes and reskilling courses). Ensure courses are taught with modern teaching and management techniques are refreshed frequently. Ideally the vocational education teachers should have appropriate university degree education and three years of work experience in the fields relevant to their field and pedagogical mastering (similar to the approach used in Germany - see case study). 				Funding source	Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised
				Case studies	<ul style="list-style-type: none"> Germany: Vocational education and training (Appendix 4.2)
Expected impact		Ease of implementation		Dependencies	
4		2		234	

Initiative Area	Design employer-led vocational courses with real workplace learning	Owner	Department of Secondary Technical and Vocational Education (Ministry of Education, Culture, Sport and Youth)	Start	01/2025
Initiative ID: 155	Develop new vocational courses in key sectors with employer-led standards			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> Cyprus has a correspondingly low share of pupils enrolled in vocational education and training (VET), with only 17% of pupils in upper secondary education enrolled in vocational courses, compared to an EU average of almost 50% Vocational training is an important way to better engage businesses and prospective workers and design education programmes that develop the skills businesses need. Yet there are two prominent barriers to VET in Cyprus. <ul style="list-style-type: none"> Firstly, the cultural norms which view university education as more prestigious than other qualifications limit enrolment. Secondly, there are persistent shortcomings in the delivery of Cyprus's VET system that prevent the successful development of the skills that businesses need. For example, none of the VET programmes in Cyprus combine school with work-based programmes and experience (European Commission, Education and Training Monitor 2019: Cyprus, 2019.) Most of Cyprus's technical schools are operating at full capacity, with 100-120 potential pupils denied entry to technical schools each year due to overcapacity (Department of Secondary Technical and Vocational Education, 2020). In addition, most vocational secondary schools are currently located in urban areas, limiting access for those living in suburban areas. To address both the quantity and quality issues of vocational education in Cyprus, it is recommended that new schools are built to provide more opportunities for young persons to attain relevant and high quality vocational education and training As part of the creation of new vocational/technical schools (ID204), new courses should be developed which align to Vision 2035. 		<ul style="list-style-type: none"> Sector-specific skills councils (to be developed under ID138) Higher Education Institutions Trade unions Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.) Cyprus' vocational schools 		<ul style="list-style-type: none"> Cyprus Recovery and Resilience Plan (RRP) - Component 5.1. Reform 1, page 452 Cyprus Recovery and Resilience Plan (RRP) - Component 5.1. Investment 2, page 473 	
Key activities				Budget	
<ul style="list-style-type: none"> Develop new vocational courses as part of the creation of new vocational/technical schools (ID204), specifically in the areas of agritech, sustainable models of tourism, green engineering, ICT, construction and manufacturing. Courses should involve a mix of basic education dealing with technical aspects, and practical training held ideally at the premises of future employers. The creation of new courses must be designed with employers, specifically led by sector skills councils (to be developed under ID138) and trade unions. The sector skills councils must work with the Ministry of Education to develop a set of National Occupational Standards, which: <ul style="list-style-type: none"> Set out the skills, knowledge and understanding required to perform competently in the workplace – both in across sectors (i.e. leadership, teamwork), and in specific sectors (i.e. specific technical skills, techniques, safety measures). Set out measurable performance outcomes which individuals are expected to meet to work in a given occupation and determine an individual's grade. Identify modern ways of teaching, for example in real or simulated workplace settings, case studies, practical tasks. Identify qualifications assessments, for example the right mix of practical assessments (observation, portfolio of evidence), formative and written assessments, group activities. Must be regularly refreshed to ensure qualifications are up to date with the most recent developments in techniques and technology. 				TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised	
				Case studies	
				N/A	
				Dependencies	
				154	
Expected impact	4	Ease of implementation	3		

Initiative Area	Design employer led vocational courses with real workplace learning	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2024
Initiative ID: 156	Create business and international partnerships in vocational education			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has a correspondingly low share of pupils enrolled in vocational education and training (VET), with only 17% of pupils in upper secondary education enrolled in vocational courses, compared to an EU average of almost 50%Vocational training is an important way to better engage businesses and prospective workers and design education programmes that develop the skills businesses need. Yet there are two prominent barriers to VET in Cyprus.<ul style="list-style-type: none">Firstly, the cultural norms which view university education as more prestigious than other qualifications limit enrolment.Secondly, there are persistent shortcomings in the delivery of Cyprus's VET system that prevent the successful development of the skills that businesses need. For example, none of the VET programmes in Cyprus combine school with work-based programmes and experience (European Commission, Education and Training Monitor 2019: Cyprus, 2019.)Most of Cyprus's technical schools are operating at full capacity, with 100-120 potential pupils denied entry to technical schools each year due to overcapacity (Department of Secondary Technical and Vocational Education, 2020). In addition, most vocational secondary schools are currently located in urban areas, limiting access for those living in suburban areas.To address both the quantity and quality issues of vocational education in Cyprus, it is recommended that new schools are built to provide more opportunities for young persons to attain relevant and high quality vocational education and training.As part of the creation of new vocational/technical schools (ID207), new courses should be developed which align to Vision 2035. The delivery of courses should involve collaboration with businesses, for example work placements and mentoring programmes (e.g. in-company vocational qualifications).		<ul style="list-style-type: none">Sector-specific skills councils (to be developed under ID138)Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)Cyprus' vocational schoolsLocal businesses		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Develop business partnerships: Through the sector skills councils, forge partnerships between employers and schools that could involve mentorships, job shadowing, work experience or internships, job fairs, or guest speakers at career talks in schools.Create opportunities for workplace learning: Ideally, for each course, some real life exposure to the workplace should be acquired – whether it is a one-off week in a business, or a once-a-week lesson held at business premises.Establish vocational links with neighbouring countries: In the event there are no employers in Cyprus in a chosen field, the state could subsidize overseas vocational placements (e.g. Israel for agritech and ICT, Denmark for green technologies)Organise extra-curricular projects/prizes that are relevant to local communities: To develop deeper partnerships, schools should organise after school clubs/prizes that get kids to think about solutions to real life work problems, with local businesses helping to design these projects.Offer opportunities for early school leavers and those at risk of leaving to re-engage with education: Partner with local businesses to:<ul style="list-style-type: none">(i) lead local community coalitions, helping to address disconnected youth in communities where they do business,(ii) engage employees by giving them an allowance of volunteering days – which they can use to participate in community events with disadvantaged youths,(iii) contribute financially and sponsor those who are at risk of leaving school early due to financial constraints, and(iv) bring young people into the company through apprenticeships, internships and shadowing opportunities.				Funding source	TBD
				Case studies	N/A
				Dependencies	154 & 204
Expected impact	3	Ease of implementation	3		

Initiative Area	Design employer led vocational courses with real workplace learning	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2026
Initiative ID: 157	Design vocational postgraduate diplomas			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has a correspondingly low share of pupils enrolled in vocational education and training (VET), with only 17% of pupils in upper secondary education enrolled in vocational courses, compared to an EU average of almost 50%Vocational training is an important way to better engage businesses and prospective workers and design education programmes that develop the skills businesses need.In Cyprus, societal perceptions of vocational education are generally negative compared to general education and going to university. These perceptions are well-engrained and will take a long time to change.Recognising this, vocational post-graduate diplomas should be developed. These should be suitable for people who have a university degree, but who then want to undergo more practical and applied learning suitable for a particular sector. In this way, the education pathway is more highly considered by students and their families, and the economy still benefits from students getting a technical education in a key sector for Vision 2035.		<ul style="list-style-type: none">Sector-specific skills councils (to be developed under ID138)Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)Cyprus' vocational schoolsRepresentatives of Cyprus' universitiesLocal businesses		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 1, page 452	
Key activities				Budget	TBD
<ul style="list-style-type: none">Design vocational postgraduate diplomas. These should be suitable for people who have a university degree, but who then want to undergo more practical and applied learning suitable for a particular sector. The postgraduate diplomas should connect university graduates directly to sectors and future employers. Universities should lead these courses, in collaboration with sector councils for their design so that the courses hit target sectors and fill key skills gaps consistent with Vision 2035. Activities to do so include:<ul style="list-style-type: none">Run surveys in universities – to understand appetite, key areas of interest and constraints.Run workshops with sector councils and universities – to identify key priorities, discuss course content, challenges and constraints.Get business sponsors – each course should be sponsored by a business to send a clear signal to prospective students of the value of the course and its content being a high standard and relevant for future careers.Design work placements – the courses should also ideally have some level of applied learning, for example short-term work placements (e.g. summer internships, business-related projects and long-term work placements such as sandwich courses (e.g. gaining a one-year experience between the penultimate and ultimate year of study). <p>Ideally, the teachers should have some industry experience, for example academics who have connected with businesses on R&D.</p>				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	138, 154 & 204
Expected impact	4	Ease of implementation		3	

Initiative Area	Enable students to make informed decisions about their education pathway with improved careers advice from an early age	Owner	Ministry of Education, Culture, Sport and Youth	Start	07/2024
Initiative ID: 158	Appoint an early schools Careers Team, expose students to the world of work and improve engagement of students at the risk of dropout			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In primary education, the focus should be on broadening horizons and raising aspirations, giving children a wide range of experiences of the world including the world of work. It is about opening doors, showing children the vast range of possibilities open to them and helping to keep their options open for as long as possible.In secondary education, career orientation is essential as it explicitly fosters students' awareness of tasks to be faced and decisions to make. Career learning is essential not only for students to develop the basic employability skills required for the school-to-work transition, but also for the development of work habits, beliefs, interests, and values.Later, university students may work part-time offering benefits such as, perfecting time-management skills necessary for academic success, reducing the need for student loans and the resulting indebtedness, gaining career-related experience as one clarifies goals, acquires skills and self-confidence, and builds a network of contacts.		<ul style="list-style-type: none">Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation (OEB), the Cyprus Chamber of Commerce and Industry (KEBE) etc.)Teacher UnionsStudent Unions		<ul style="list-style-type: none">Strategy for Attracting Businesses 2022-2024	
Key activities		Budget		Funding source	
<ul style="list-style-type: none">Appoint an early schools Careers Team. The Careers Team should be responsible for going to primary schools and running talks and advice sessions with children and parents to enable them to make informed decisions about the paths available for them to take after secondary school. In addition, the Careers Team should present the available options for vocational education to the students after primary school and before they make their academic decisions around the age of 15.Improve engagement of students at the risk of dropout<ul style="list-style-type: none">The early careers advice service should support students to develop their career plans, improving their engagement especially during critical transitions between levels of schooling, e.g. primary to secondary, secondary to higher or further education.Offer additional after-school sessions to students from vulnerable groups, such as those from migrant backgrounds, to reduce risk of drop-out.Expose students to the world of work to inform their decisions<ul style="list-style-type: none">Host career fairs in schools. These can be organised at a community-level, for example by bringing in parents of students in to talk about their respective careers.Connect working-age students with part time job opportunities and apprenticeships.Organise and sponsor tours of different businesses, factories, and organisations for school field trips.		TBD		TBD	
Expected impact		Ease of implementation		Dependencies	
4		3		143 & 160	

Initiative Area	Enable students to make informed decisions about their education pathway with improved careers advice from an early age	Owner	Department of Secondary Technical and Vocational Education and Training	Start	04/2024
Initiative ID: 159	Implement a nationwide marketing campaign to improve the perception of vocational education			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Vocational training is an important way to better engage businesses and prospective workers and design education programmes that develop the skills businesses need. Yet, the cultural norms which view university education as more prestigious than other qualifications limit enrolment.The government needs to promote the fact that vocational education is the key to Vision 2035 and fundamentally re-brand it.		<ul style="list-style-type: none">Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)Ministry of Education, Culture, Sport and Youth		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 1, page 452	
Key activities				Budget	
					TBD
				Funding source	
					TBD
				Case studies	
					N/A
				Dependencies	
					N/A
Expected impact		Ease of implementation			
2		5			

Initiative Area	Equip residents in Cyprus (including third country citizens and non-Cypriot EU citizens residing in Cyprus) with the resources and support to transition to new sectors and jobs,	Owner	Ministry of Labour, Welfare and Social Insurance	Start	07/2024
Initiative ID: 160	Launch a National Careers Service			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Participation in adult education and training is low in Cyprus compared to other EU countries.<ul style="list-style-type: none">10.2% of workers participated in employer led training in 2019, compared to the EU27 average of 16.8% and the highest rate in the EU of 38.6% in Sweden.Participation in adult learning is also low, at 5.9% of 25-64 year olds in 2019, compared to the EU27 average of 10.8% and the highest rate in the EU of 34.3% in Sweden.In today's rapidly evolving workplace, lack of lifelong commitment to education and training, particularly once employed, has significant implications to ensure the Cyprus's labour force remains relevant for the future.Technological progress poses a threat to a large proportion of jobs, both in Cyprus and other advanced economies – but at the same time, it is also creating many more new job opportunities.Upskilling and reskilling the workforce will be paramount to harness these newly created opportunities and remain on the front foot to automation and disruption.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthHuman Resource Development Authority (HRDA)Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none">Launch a free and impartial National Careers Service that offers advice and guidance to both students and adults on careers and training.<ul style="list-style-type: none">This service will be a combination of a one-stop shop website with resources and links to jobs and courses, as well as a national network of careers advisors who go to schools and into the community (See ID158) Essentially the mandate of the National Careers Service will be to provide information and support to individuals throughout their employment lifecycle.Train career advisors regarding the local businesses and employment opportunities in the area, as well as options for training, upskilling and reskilling<ul style="list-style-type: none">This will be especially important for reaching vulnerable groups, such as the elderly, the frail and disabled, and immigrants.Invest in a top quality website for the service that, crucially, has good search functions to be able to filter by sector/qualifications so that more tailored support is available to jobseekers. The website should also provide adult education resources by sector to those already in employment (See ID162).<ul style="list-style-type: none">The UK's National Careers Service website should be used as best practice in design and functionality.Recruit or train a dedicated Careers Service website team that will be responsible for keeping the information up to date and responding to queries.Develop key resources, for example, online skills assessments, tips for writing a CV or LinkedIn profile, and mock interview questions.<ul style="list-style-type: none">This should involve a systematic review of international best practice careers services and utilisation of resourcesAdvertise opportunities, provide links to opportunities like mentorship programmes, work experience placements and apprenticeships				Funding source	TBD
				Case studies	The UK's National Careers Service website
				Dependencies	158 & 162
Expected impact	5	Ease of implementation	3		

Initiative Area	Equip citizens with the resources and support to transition to new sectors and jobs, as well as third country and non-Cypriot EU residents in Cyprus	Owner	Ministry of Labour, Welfare and Social Insurance	Start	01/2026
Initiative ID: 161	Launch targeted initiatives for low skilled, unemployed and jobseekers			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Technological progress poses a threat to a large proportion of jobs, both in Cyprus and other advanced economies – but at the same time, it is also creating many more new job opportunities.Upskilling and reskilling the workforce will be paramount to harness these newly created opportunities and remain on the front foot to automation and disruption.A key part of this initiative will be to run retraining programmes and provide counselling services to get unemployed people back to work as quickly as possible.These retraining programmes should actively identify and initiate communication with the recently unemployed to alert them of available courses and certifications.Special support should be designed for unemployed persons originating from shrinking sectors such as agriculture, who will likely need to be educated in skills far removed from their original backgrounds.		<ul style="list-style-type: none">National Careers Service (to be developed under ID160)Ministry of Education, Culture, Sport and YouthEmployers’ representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)Human Resource Development AuthorityUnion of Municipalities		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Investment 2, page 473Strategy for Attracting Businesses 2022-2024	
Key activities					
<ul style="list-style-type: none">The National Careers Service should launch targeted initiatives, focused on the creation of upskilling and reskilling resources to help people transition to new roles. Such initiatives could include:<ul style="list-style-type: none">Creating local job centres where people can access advisors and support. The job centres can run workshops for key job-seeking skills such as CV writing, interviewing for jobs, and interacting with businesses online through social media.Embedding the careers service within the conditions of receiving welfare. For example, make speaking to a careers advisor a condition for unemployment benefits after a certain number of weeks out of work.Liaising with local businesses to develop partnerships for wage-subsidised jobsRunning support groups for the unemployed, where jobseekers can get together and participate in community activities, mitigating chances of social exclusion and detrimental effects of unemployment on mental wellbeing.Training careers advisors in Vision 2035 so they can identify the sectors and roles that will be of most value for people to transition into.Offering the opportunity to attend a free course to obtain a qualification to any individual without upper secondary education.					
Expected impact	4	Ease of implementation		4	
				Budget	TBD
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised.	
				Case studies	
				N/A	
				Dependencies	
				159 & 160	

Initiative Area	Forge a culture of lifelong learning and upskilling with high quality adult education	Owner	Human Resource and Development Authority	Start	07/2025
Initiative ID: 162	Create a one-stop-shop for employment and training opportunities			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">DG EPCD is currently supporting Cyprus in the drafting of a new Strategy for lifelong learning for 2021 – 2027. A meeting was held in February 2021 between the Ministry of Labour, Ministry of the Interior, Erasmus, the Cyprus Productivity Centre and other relevant stakeholders to discuss priorities for this future lifelong learning strategy.Policymakers and education providers need to consolidate and modernise the country’s adult education offerings. Currently, the offering is fragmented and the courses on offer do not necessarily match the biggest skills gaps in the country or align to Vision 2035		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthDirectorate General of European Programmes, Coordination and Development (DG EPCD)Cyprus Productivity Centre, Ministry of Labour, Welfare and Social InsuranceCyprus Academy of Public AdministrationDeputy Ministry of Research, Innovation and Digital PolicyCyprus Pedagogical instituteLocal businesses		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 5, page 466Strategy for Attracting Businesses 2022-2024	
Key activities					
<ul style="list-style-type: none">As part of the National Careers Service, create a one-stop-shop website for all adult education resources including:<ul style="list-style-type: none">Information on courses available at universities, schools and other adult education centres, as well as online training courses.Online skills assessments - Learning from countries like the UK who offer an online skills assessment, which then matches individuals to potential careers, jobs and further training opportunities.Utilisation of free online resources – for example, companies like Google and Microsoft offer free online training in areas like coding and financial literacy.Free information pages on digital upskilling basics, for example how to set up an online bank account, how to use the internet to search for a job.					
Expected impact		2	Ease of implementation		5
Budget					
TBD					
Funding source					
Some funds may be available through the Recovery and Resilience Fund (RRF). Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised.					
Case studies					
N/A					
Dependencies					
N/A					

Initiative Area	Forge a culture of lifelong learning and upskilling with high quality adult education	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2029
Initiative ID: 163	Refresh the courses of Adult Education Centres			End	12/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">DG EPCD is currently supporting Cyprus in the drafting of a new Strategy for lifelong learning for 2021 – 2027. A meeting was held in February 2021 between the Ministry of Labour, Ministry of the Interior, Erasmus, the Cyprus Productivity Centre and other relevant stakeholders to discuss priorities for this future lifelong learning strategyPolicymakers and education providers need to consolidate and modernise the country’s adult education offerings. Currently, the offering is fragmented and the courses on offer do not necessarily match the biggest skills gaps in the country or align to Vision 2035.		<ul style="list-style-type: none">Cyprus Productivity Centre, Ministry of Labour, Welfare and Social InsuranceCyprus Academy of Public AdministrationHuman Resource Development AuthorityCyprus Pedagogical instituteAcademiaLocal businesses		N/A	
Key activities					
<ul style="list-style-type: none">Refresh the course content of Adult Education centres and align to Vision 2035<ul style="list-style-type: none">Conduct a systematic review of the offering of Adult Education Centres, identifying redundant courses and key gaps against the needs of Vision 2035Phase out obsolete courses such as typing and add in demand skills such as coding and data analytics.Survey local businesses for what they consider to be the largest skill deficiencies in the workforce.Incorporate hybrid and online learning into ways of teaching in order to cater to adults who may already be in full time employment.					
Expected impact	2	Ease of implementation		3	
Case studies					
N/A					
Dependencies					
N/A					

Initiative Area	Forge a culture of lifelong learning and upskilling with high quality adult education	Owner	Ministry of Education, Culture, Sport and Youth	Start	04/2029
Initiative ID: 164	Refresh the marketing campaign of adult education			End	12/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">DG EPCD is currently supporting Cyprus in the drafting of a new Strategy for lifelong learning for 2021 – 2027. A meeting was in February 2021 between the Ministry of Labour, Ministry of the Interior, Erasmus, the Cyprus Productivity Centre and other relevant stakeholders to discuss priorities for this future lifelong learning strategy.Policymakers and education providers need to consolidate and modernise the country’s adult education offerings. Currently, the offering is fragmented and the courses on offer do not necessarily match the biggest skills gaps in the country or align to Vision 2035.		<ul style="list-style-type: none">Cyprus Productivity Centre, Ministry of Labour, Welfare and Social InsuranceHuman Resource Development AuthorityLocal businesses		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) – Component 5.1, Reform 5, page 466	
Key activities					
<ul style="list-style-type: none">Launch a nationwide marketing campaign for the new National Careers Service and adult education offering:<ul style="list-style-type: none">Focus on connecting with young adults. Adult education can be cutting edge and lead to highly desired digital skills. A possible strategy would be to highlight this angle using marketing campaigns on social media websites and applications.The one-stop-shop website (ID162) should highlight success stories and testimonials from past students who were able to reskill and find work with higher pay or better conditions.					
Expected impact	2	Ease of implementation	5	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	162

Initiative Area	Forge a culture of lifelong learning and upskilling with high quality adult education	Owner	Ministry of Labour, Welfare and Social Insurance	Start	07/2029
Initiative ID: 165	Provide incentives to participate in adult education			End	12/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">DG EPCD is currently supporting Cyprus in drafting of a new Strategy for lifelong learning for 2021 – 2027. A meeting was in February 2021 between the Ministry of Labour, Ministry of the Interior, Erasmus, the Cyprus Productivity Centre and other relevant stakeholders to discuss priorities for this future lifelong learning strategyPolicymakers and education providers need to consolidate and modernise the country’s adult education offerings. Currently, the offering is fragmented and the courses on offer do not necessarily match the biggest skills gaps in the country or align to Vision 2035		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthMinistry of FinanceLocal businesses		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) – Component 5.1, Investment 2, page 473	
Key activities					
<ul style="list-style-type: none">Create incentives for individuals and employers to utilise adult education opportunities:<ul style="list-style-type: none">Offer any individual without upper secondary education the opportunity to attend a free course to obtain a qualification.Offer subsidies on course costs to attract people into high priority areas, like ICT courses.Offer grants and subsidies for businesses to cover the costs of enrolling their employees in adult education – targeted in key sectors, such as farmers learning key digital skills.					
Expected impact	4	Ease of implementation	4	Case studies	N/A
				Dependencies	161

Additional case studies

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all



Case study: Singapore

Public-private partnerships with Singapore Corporate Laboratories

Singapore's National Research Foundation encourages public-private R&D partnerships between universities and companies through the establishment of Corporate Laboratories in universities. The aim is to enable industry partners to tap into the university's scientific and technological capabilities to develop new products and services, while universities gain by developing cutting edge solutions for real-world problems faced by the private sector. The research conducted therefore has direct relevance for the economy.

To date, 14 Corporate Laboratories have been set up across several of Singapore's universities.¹ These include:

- **Rolls Royce at the Nanyang Technological University:** Rolls-Royce co-funded the S\$75 million Corporate Laboratory, which was established in 2013 and now has around 180 staff and students. A subsequent joint investment for S\$88 million has since been announced. Research is focussed on electrical power and control systems, manufacturing and repair technologies and computational engineering. Rolls Royce also provide mentorship to students. A key technology transfer was achieved when the lab designed and constructed a 270V power system for installation in Rolls Royce Corporation in Indianapolis, US.
- **Sembcorp at the National University of Singapore:** The S\$60 million Corporate Laboratory aims to develop new, competitive sustainable solutions in the areas of energy, water and waste. Research activities include solutions to optimise power generations while reducing emissions, improvements to industrial water and wastewater treatment systems, and to transform waste into high value products.
- **HP at the Nanyang Technological University:** The S\$84 million Digital Manufacturing Corporate Lab will drive innovation and skills to advance the Fourth Industrial Revolution, focussing on digital manufacturing technologies, 3D printing, artificial intelligence, machine learning and new materials.

¹ National Research Foundation, *Corporate Laboratories in Universities*.



Case study: UK

Retraining and upskilling adults

Get Help to Retrain in the UK

The UK Government announced the National Retraining Scheme in 2017, targeted at retraining adults who are already at work and do not have a qualification at degree level. The programme focussed on digital upskilling initially, with a goal to expand to other technical skills soon. The programme also provides live local labour market vacancies to bridge the gap between businesses and individuals. Full funding will also be made available for adults who do not currently have a level 3 qualification.¹

UK CareerTech Challenge

The Department for Education in the UK partnered with Nesta (an innovation foundation) to launch the CareerTech Challenge in 2019. This challenge provides up to £5 million funding for innovators to develop advanced online training and career guidance solutions.² Solutions also need to be digitally-driven and designed to future-proof jobs of workers currently employed in sectors at most risk of automation. The prize-winning solutions will be implemented in 2021.³

Flexible Working Task Force in the UK

The UK Government partnered with business groups, trade unions and charities to launch the Flexible Working Task Force in 2018. The Task Force, co-chaired by the Department for Business, Energy and Industrial Strategy (BEIS) and the CIPD (professional body for HR and people development), aimed to increase the availability and uptake of flexible working across sectors in the economy. The Task Force believes that this will have the following benefits:

- Improving accessibility of work to older workers
- Boosting employee motivation and productivity
- Creating more opportunities for women to progress to senior roles

One of the main objectives of the Task Force is to increase the proportion of employers that advertise jobs across all pay grades as flexible. Employers participating in the Task Force are encouraged to use the strapline 'Happy to talk flexible working' in their job adverts.⁴ Guidance for employers regarding how to improve flexibility at the workplace has also been released.

¹ UK Department for Education, *National Retraining Scheme: Key Findings Paper, October 2020*; available [here](#).

² Ibid.

³ Nesta, *Unlocking employment opportunities for the future, October 2019*; available [here](#).

⁴ CIPD, *Government and employers unite to kick-start flexible working, January 2019*; available [here](#).



Case study: Republic of Ireland

Regional Skills Fora

Improving channels and opportunities for employers to have their say and actively contribute to local skills development is a key feature of Ireland's National Skills Strategy 2025.¹⁷ The Regional Skills Fora, set up in 2016, are helping to foster stronger links between employers and to strengthen further and higher education and training provision as part of regional responses. The Skills Fora provide a number of key benefits to local employers and act as a single point of contact within the skills system. They generate more robust labour market information and analysis of employer needs to inform training and provide a ready structure for employers to become more involved in the skills system in promoting employment roles and opportunities for career progression in their sectors.

When the West Regional Skills Forum identified that there was a skills gap and lack of progression routes in cyber security in Galway and Mayo, they worked with local employers and international IT company Hewlett Packard Enterprise to address the problem. They completed a mapping exercise to spot gaps in the skills system and worked to deliver new courses through local education providers.



Case study: The Netherlands

Techwise Twente – VET school and business cooperation

Techwise Twente is a cooperation between VET- schools and business organisations that started in 2013. The overall aim of the project is 'to facilitate the cooperation between education providers and business organisations to organise (higher) VET-training which respond to the needs of the manufacturing industry'. The partnership incorporates educational partners (secondary education, vocational secondary education and business training organisations), business associations and business organisations from the manufacturing industry.

The cooperation is mainly focussed on updating curricula, connecting supply and demand through new and currently qualified workers, raising the profile of VET through education in innovative technologies, and mobility of VET students in the region.

3.3.10

Just and inclusive society

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all

We have evaluated and mapped all initiatives under the “**excellent and accessible healthcare system**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**excellent and accessible healthcare system**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Develop a modern healthcare system, underpinned by digitalisation		Owner	Ministry of Health		Start	07/2024	
Initiative ID: 166	Set out a long-term digital vision for the health sector					End	06/2025	
Context			Indicative contributing stakeholders					
<ul style="list-style-type: none">Cyprus's healthcare system is currently undergoing unprecedented change, with the introduction of the General Healthcare Service (GHS) since 2018. As a newly formed system, the GHS faces issues with controlling abuse & fraud and with monitoring the provision of care more effectively. Acting while the GHS is still in its infancy to set the right SOPs for patient care, hospital management and fraud mitigation will be key to its success.E-health is currently in its early stages in Cyprus. Existing efforts include:<ul style="list-style-type: none">The development of an Integrated Health Information System for public sector providers, which will provide oversight and access to patient records, billing, e-prescriptions, etc. It is designed to ease administrative burdens in hospitals, improving quality of care and controlling costs. Currently, the IHIS operates in the Nicosia and Famagusta General Hospitals, and some health centres.Electronic cross-border health services are planned to be implemented by 2025. This is an EU initiative across all member states, centred around two cross-border health services:<ul style="list-style-type: none">➤ ePrescription (and eDispensation): This will allow EU citizens to obtain medication in pharmacies located in other EU countries.➤ Patient Summaries: This will allow health providers across EU member states to access information on important health-related aspects such as allergies, current medication, medical history, etc. In the long term, Patient Summaries will also include medical images and lab results.A future goal of the Ministry of Health is the creation of Regional Health Networks (RHN). The RHN will enable the exchange of information between all hospitals, Health Centres, regional clinics and private doctors. The RHN will offer direct access to patient records, appointments, and clinical protocols.Digital technologies will shape the future of healthcare. In order to sustain an equitable and affordable healthcare system that provides universal access in the long term, Cyprus will need to set out a vision and road map for integrating digital and being agile with respect to technological breakthroughs. The Ministry of Health should lead on this vision and roadmap, while recognising the critical role that will be played by the private sector in both developing new health technologies and putting them into practice.			<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyPrivate and public healthcare providersHealth Insurance OrganisationPatients' associationsAcademia					
Key activities								
<ul style="list-style-type: none">Set out a long-term digital vision and road map for the health sector. The vision and roadmap should include, among others, key milestones and dates for firm deadlines, e.g. for switching to e-health records. More specifically, the vision should also include:<ul style="list-style-type: none">Launching a nationwide data analytics training course for key hospital staff to enable them to draw cost-cutting and quality-improving insights from data. Data can be better used to identify where improvements can be made in both cost (e.g. adjusting re-orders of stocks of pharmaceutical and medical supplies based on usage rates) and quality of care (e.g. identifying the determinants of hospital waiting times). Both public and private healthcare providers can benefit from improved data analytics. We propose that data analysis capabilities are built up in hospitals, through training of administrative staff or targeted external hiring. Alongside this training, the government must support healthcare providers in addressing structural barriers in their IT systems and adoption of digital data recording. Current systems may not be able to support or enable the efficient and effective use of data to produce insights.Developing a roadmap for digital integration across hospitals. To create a seamless patient journey and also to improve fraud detection, the Health Insurance Organisation (HIO) should strive for seamless digital integration with the activity-recording systems of health care providers. Currently, there is room for integration to become more automated. Alongside automated integration, the HIO needs to develop IT reporting capabilities which will help detect fraud (e.g. through analysing activity and referral patterns).								
Expected impact		3	Ease of implementation		5			

Indicative links to other national plans / strategies / studies	
N/A	
Budget	
TBD	
Funding source	
TBD	
Case studies	
N/A	
Dependencies	
N/A	

Initiative Area	Ensure high quality of service is provided consistently and continuously across all healthcare providers	Owner	Ministry of Health	Start	09/2022
Initiative ID: 167	Set up a independent regulator for the quality and safety of care			End	03/2023
Context	<ul style="list-style-type: none"> Currently there is a Medical Audit Committee in place which secures the provision of high quality healthcare services and takes all appropriate measures as regards specific incidences where health providers have not exercised reasonable skill or attention. Most European countries have moved into a system of quality care regulation which is independent and available to the public domain. We therefore recommend that the authorities in Cyprus follow this model as the quality of care on offer will be of paramount importance as healthcare provision becomes more sophisticated and there is an increase in the volume of care required due to the ageing of the population and the rising demand for Cyprus's health service. Depending on how effective these controls are, doing so will help Cyprus make its case as a centre of healthcare services. The independent regulator should therefore be the body that deals with the majority of patient and service user serious health and safety incidents. This body should also be responsible for setting national standard and guidelines, facilitating the development of local measures and disseminating this information throughout the health service. This will help limit national variations in health outcomes, e.g. rural areas receiving poorer quality of care versus areas which are serviced by major hospitals. 				
Key activities	<ul style="list-style-type: none"> Set up an independent regulator for the quality and safety of care. Specifically the regulator should be carrying out the following activities: <ul style="list-style-type: none"> Core role: Monitor, inspect and regulate these providers' core services to ensure they consistently meet the fundamental standards and do not put patients at risk of harm. Where a healthcare provider falls below these standards, the independent regulator should be able to take enforcement action or recommend that the provider should enter special measures (see box on following slide). Inspections: Regularly inspect providers by location and service, and award ratings based on what it finds. A guideline should be disseminated to healthcare providers before the programme of inspections is rolled out. These guidelines should specify the schedule for announced inspections, and specific rules for unannounced inspections that allow them to be fair and transparent (e.g. unannounced inspections will only occur during normal working hours). Inspection teams should typically include experts by experience (people who are experienced users of healthcare services) and specialist advisors (health professionals external to the organisation being inspected). <p>Following an inspection, providers will receive a report on the findings, including examples of good practice and any areas for improvement, and will be awarded an overall rating as well as individual ratings for each service and location inspected.</p> <ul style="list-style-type: none"> Rating service: Providers should have an opportunity to 'fact check' the report and inform the regulator of any factual inaccuracies prior to its publication. Following the publication of the inspection report, providers may also request a 'rating review' if they feel that the independent regulator did not follow due process for making and aggregating ratings decisions. Providers are required to display their overall ratings at all sites where they deliver services. Care bundles and checklists: In supporting the goal of high quality national standards and to ensure the same level of standardised treatment by non-specialists, i.e. A&E doctors and general physicians, the regulator should develop 'care bundles'. Care bundles are sets of evidence-based treatments (e.g. diagnostic tests, medication, thresholds for escalation) that are tailored by health condition. They should be performed collectively and consistently across healthcare providers to drastically improve health outcomes of patients. Patient and staff feedback: Patients should be able to give feedback to healthcare providers and standards assessors through quick and anonymised means. The regulator should create a centralised survey, available online, that allows patients to express their opinions about the service they received from a specific healthcare provider in a safe space. For example, in the UK a 'Friends and Family Test' is offered to patients. This test frames feedback by asking patients if they would recommend the services they have used to friends and family and if not why. This feedback structure can also be used for staff. It should be used a quick temperature check for how healthcare staff are feeling about work and their perception of the quality of care provided by their employer. Because of its short length, it can be used to acquire regular and frequent feedback – though the feedback will be less comprehensive than annual surveys. This can help the regulator identify gaps in quality of care and improve the level of staff engagement. <p>All of this information should be available online for the public to view and compare.</p> 				
Expected impact	4	Ease of implementation	3	Indicative links to other national plans / strategies / studies	N/A
				Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none"> UK: Care Quality Commission (CQC) (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Ensure high quality of service is provided consistently and continuously across all healthcare providers	Owner	Health Commissioner's Office	Start	10/2021
Initiative ID: 168	Support the efficient operation of the Health Commissioner's Office			End	05/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Health Commissioner's Office (HCO) is an independent Complaint, Audit and Supervisory body which was established by the provisions of the Law 89(I)/2001 'Law on the introduction of a General Healthcare System' (GHS). By virtue of this law, the HCO is authorised to investigate complaints submitted by any person concerning:<ul style="list-style-type: none">any decision, act or omission by the Health Insurance Organisation (HIO, is responsible for the implementation and management of the GHS) with regard to healthcare services covered by GHS;any act or omission by healthcare providers in the context of the implementation of the contract they have signed with the HIO;any decision, act or omission by the HIO in relation to healthcare providers.also, the Commissioner may at his own discretion, or upon order by the Council of Ministers, examine any matter of general interest relating to the effective implementation and functioning of the System.Nonetheless, despite the law coming into force in 2001, it seems that several factors have prevented the HCO from properly executing its duties so far. Such factors include limited resources and lack of organisational design.Having a strong and well-functioning HCO will allow close and effective supervision of the healthcare system and will enable timely interventions and corrective action preventing financial abuse and safeguarding the quality of services.		<ul style="list-style-type: none">Ministry of HealthHealth Insurance OrganisationPrivate and public healthcare sector organisations and associationsPatients' associations		<ul style="list-style-type: none">Technical support through DG REFORM, "Technical support for strengthening the capacity of the Health Commissioner's Office in Cyprus"	
Key activities				Budget	Funds secured through the Technical Support Instrument.
<ul style="list-style-type: none">Design and set up up the organisational structure which will enable the efficient operation of the Health Commissioner's Office (HCO) in accordance with the powers provided for in the relevant legislation (Law on the introduction of a general Healthcare system and related issues 89 (1) 2001(section 42-47)) and enhance HCO's overall capacity to effectively perform its main functions as structured around three pillars:<ul style="list-style-type: none">Complaints managementHealth auditSupervision of services providedEnhance the capacity of the HCO. This will ensure that the HCO's staff have the skills required to deliver their mandate regarding complaints management, health audit and supervision of services successfully.Design and develop a communications strategy to increase the public awareness regarding the HCO and its role.				Technical Support Instrument	Case studies
					N/A
				Dependencies	N/A
Expected impact	4	Ease of implementation	4		

Initiative Area	Embrace digitalisation and change to deliver care in the most effective and efficient way	Owner	Ministry of Health	Start	07/2025
Initiative ID: 169	Use virtual care solutions to improve accessibility and health outcomes			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Virtual care solutions can help improve outcomes and reduce costs, expand access to services especially for remote populations, improve utilisation management and radically promote preventive and chronic disease management. Globally, consumers are starting to adopt virtual health – with 16% of global consumers surveyed already owning a wearable device that monitors their health continuously in real-time, and 31% planning to own one (PwC Global: Total Retail Survey, 2017). Wi-Fi enabled scales, mobile apps for chronic disease monitoring and wireless biometric sensors mean that care has become more proactive and no longer needs to be tied to the hospital or to the physician’s office.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyMinistry of FinanceHealthcare providersHealth Insurance OrganisationPatients’ associations		N/A	
Key activities					
<ul style="list-style-type: none">Fund and provide virtual health initiatives by creating partnerships with established global tech providers. For example, Netherlands-based Royal Philips partnered with Changi General Hospital in Singapore to help patients manage their heart conditions at home. The Ministry of Health can work with a leading public hospital to scope out (i) which illness should be prioritised for targeting and (ii) viable partners.Offer funding for med-tech start-ups. Med-tech start-ups are on the rise in Europe, targeted at a range of initiatives: dementia care, antibiotic resistance, breast cancer detection, etc. Cyprus can join in this frontier of medical advancement by offering funding and other financial incentives, including tax breaks or tax credits, for med-tech companies to start-up in the country.Run a pilot for virtual care solutions targeted for the elderly and frail. Keeping in mind the aging population in Cyprus, pursuing virtual care solutions could open up various treatments for the elderly and frail. For example, monitoring chronic conditions from home through health care devices. There are already existing and easily accessible devices available for at-home health monitoring. The Ministry of Health can work together with an existing healthcare provider to trial a pilot using these monitoring devices. If ill health is detected through the monitoring device, healthcare practitioners can be sent to homes to intervene.					
Expected impact	3	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Israel: Artificial intelligence in hospitals (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Promote healthy lives and prepare for long-term health trends	Owner	Ministry of Labour, Welfare and Social Insurance	Start	10/2023
Initiative ID: 170	Develop Elderly Housing and Assisted Living communities			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus’ population is ageing. Today, the share of over 65 year olds is around 15% of the population (or 175,000 people) and is expected to rise to a quarter by 2050, equivalent to around 350,000 people above the age of 65.To ensure the welfare of this growing group of 65s and above, Cyprus should take initiative now and plan for their housing and care needs by expanding the development of elderly housing and assisted living communities.		<ul style="list-style-type: none">Ministry of HealthMinistry of FinanceUnion of MunicipalitiesUnion of Communities			
Key activities					
<ul style="list-style-type: none">Designate a taskforce for collaboration between the Ministry of Health and the Ministry of Labour. At the moment, elderly housing and assisted living communities do not fall under the jurisdiction of the Ministry of Health but instead the Ministry of Labour. For substantive, long-term improvements, a joint and coordinated effort between these two Ministries is needed.Incentivise specialised contractors. Offer financial incentives, e.g. tax relief or direct grants, to developers for the construction of elderly housing in order to attract specialised contractors in this area.Offer devolved funding to municipalities. This funding should include an ‘emergency’ fund for short-term supported house placements for the elderly and frail who have, under short notice, become unable to manage daily tasks independently through, for example, sudden illness or accidents.Plan for ageing-associated diseases. Incidence rates of illnesses which require more intensive care, such as dementia or Alzheimer’s, are likely to increase as the population ages. In the designing of elderly housing, developers should be instructed to design facilities appropriate for future health trends.					
Expected impact	4	Ease of implementation	3	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF).	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Promote healthy lives and prepare for long-term health trends	Owner	Ministry of Health	Start	01/2025
Initiative ID: 171	Invest in preventative health care interventions			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus’s population suffers from high rates of smoking and childhood obesity, in comparison to other EU countries.As part of preventative health care, educational campaigns and initiatives should be launched at schools and wider public targeted at raising awareness on:<ul style="list-style-type: none">1) possible negative health effects of lifestyle choices such as smoking and unhealthy eating,2) what families and individuals can do to improve their health outcomes, e.g. tools for smoking cessation and meal planners, etc.		<ul style="list-style-type: none">Ministry of Education and CultureHealthcare providers		N/A	
Key activities					
<ul style="list-style-type: none">Incorporate lessons on the health effects of tobacco use into the school curriculum. In addition, students can learn about the impacts of smoking on economic and social aspects, e.g. the forecasted lifetime cost of smoking. Integration can be simple, for example by running classroom discussions about tobacco during relevant subjects such as biology. These lessons can draw on learnings from existing initiatives, e.g. education provided by Pasykaf (cancer NGO) in collaboration with the Ministry of EducationLaunch a tobacco quit-line. This can be a telephone, text messaging, or web-based service that provides proactive counselling for smoking cessation. When used in combination with medications, this has been shown to increase chances of quitting smoking (Centers for Disease Control and Prevention, Smoking Cessation—The Role of Healthcare Professionals and Health Systems, 2020.)Launch a health care campaign targeted at reducing obesity.The campaign can include:<ul style="list-style-type: none">A guide for active lifestyles – simple exercises and suggestions for everyday activities like carrying shopping bags or walking to work.Curated weekly meal plans and grocery lists, targeted at different income levels.Review policy on food in schools, in particular food portion sizes and sugar levels. Food served and sold (for example in vending machines) in schools should align with healthy eating standards.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Move towards a value based system, focused on performance management and patient outcomes	Owner	Health Insurance Organisation	Start	06/2021
Initiative ID: 172	Move towards a value based General Health System			End	10/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The General Health System in Cyprus is currently using an age adjusted capitation model for primary care where Personal Doctors (PDs) are paid based on the number of patients on their list based on their age category) and a volume-based reimbursement model for all other services (e.g. diagnostic laboratories, outpatient specialist doctors, inpatient care etc). So far, the capitation model used for primary care has not been complemented with value-based incentives, quality KPIs and controls.		<ul style="list-style-type: none">Ministry of HealthHealthcare providersPatients' associations		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 1.1, Reform 3, page 55Strategy on Economic Diplomacy 2021-2023 - Annex 2, Pages 15 - 16	
Key activities					
<ul style="list-style-type: none">Establish appropriate value-based models and initiatives within primary care and inpatient care. The following three activities need to be introduced:<ul style="list-style-type: none">Data collection and management: Define data governance standards and undertake an effort to collect the necessary data across all points of interaction with the patient i.e. first contact, meeting with the GP, meeting with the specialist, follow-up meetings and customer-satisfaction surveys. Start with 1-2 pilot hospitals and then expand from there.Performance management: Utilising the data collected, analyse the data with the introduction of KPIs that would measure among other things:<ul style="list-style-type: none">Accuracy: The extent to which the GP has accurately referred the patient to the specialist or whether he/she should be able to diagnose the symptoms and provide the solution without creating unnecessary appointments, and hence costs, within the system.Timeliness: The extent of waiting lines at healthcare institutions that would signify the efficiency when it comes to planning of appointments with medical practitionersReward: Provide incentives, at an institutional level, to reward providers that are practicing with quality, exhibited by low rates of infections, low rates of follow-up visits etc.Quality standards and monitoring: Implement quality standards and protocols, and the relevant monitoring measures to reduce the variability of care and improve the quality of provision. These quality standards should set out priority areas for quality improvement, incentivising continuous development and progress in health and social care.					
Expected impact	5	Ease of implementation	2	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				<ul style="list-style-type: none">UK: NHS Oversight Framework 2019/20 (Appendix 4.2)	
				Dependencies	
				224	

Additional case studies

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all



Case study: UK

Investments in nursing

In 2018, the Barking, Havering and Redbridge University Hospitals NHS Trust (BHRUT) trust implemented a set of interventions to strengthen its existing nursing supply and improve recruitment. It had been suffering from chronic problems of nursing shortages and high nurse turnover rates. The interventions, described in more detail below, were targeted at improving career progression for nurses and increasing the number of routes into nursing roles.

- **Nursing Career Pathway:** This pathway shows how new joiners can progress from apprentice to advanced clinical practice or ward manager. Providing staff with clear career pathways has positively impacted staff engagement, experience and morale.
- **Nursing associates:** Together with Health Education England, the BHRUT implemented a new role for 'nursing associates' – which sits between a health care assistant and registered nurse. This new role involves two years in a working and learning environment, with one day per week at university and four days in a healthcare setting.
- **Nursing degree apprentices:** The BHRUT was one of the first trusts in England to appoint nursing degree apprentices. The apprenticeship is delivered in partnership with Anglia Ruskin University. The NDA is a 42-month degree which combines full-time work-based learning and placement time. To recruit for the apprenticeship, matrons and clinical staff from the Trust support the interviews alongside the university.

As a result of these interventions, the BHRUT improved staff retention and widened participations and routes into nursing for the trust.

Source: NHS Employers, Barking, Havering and Redbridge University Hospitals NHS Trust: Strengthening Your Nursing Supply, 2018.



Case study: Canada

Medical and Related Sciences Discovery District

Canada has undertaken Public-Private Partnership (PPP) investment in infrastructure to support the development of industry clusters. For example, the Medical and Related Sciences (MaRS) Discovery District opened as North America's largest 'urban innovation hub' in downtown Toronto in 2005 to help create successful global businesses in science, technology and social innovation. MaRS holds 1.5-million square feet of real estate in 'one of the lowest vacancy corridors in North America.'

The MaRS complex was developed in three phases, with funding for the buildings provided by various sources including University of Toronto, grants from the Ontario and Canadian Governments, private bond issue and private donors. The Government of Ontario, Government of Canada and City of Toronto are all listed as founding supporters of MaRS and by 2014 grants, mostly from the Ontario Government, exceeded CAD \$160 million since MaRS was created. MaRS is also registered as a charity.¹ Examples of tenants housed in the MaRS district include Facebook, Airbnb and Autodesk.²

By 2014 (9 years after commencing operations), MaRS reports they had supported companies create cumulative CAD \$1 billion in GDP impact.³ In survey of businesses in the MaRS 'network' in 2017, findings report that of the 1,200 ventures in the MaRS network:

- They employed over 12,800 people in 2017
- They have raised over \$4.8 billion in capital (2008-2017)
- They have generated over \$3.1 billion in revenue (2008-2017).⁴

Although the specific level of FDI into MaRS is not publicly available, in September 2018 it was reported that Toronto received \$900m (CAD) of foreign investment into the tech sector alone.⁵ This was from firms established in Toronto including Microsoft, Uber, Intel, Pinterest, Instacart and WeWork labs.

¹ *Financial Post*, Gallant, P. MaRS, the Ontario government's very own money pit, 10 June 2014.

² *The Globe and Mail*, Silcoff, S., Toronto's MaRS lands private financing, repays Ontario loan, 14 April 2017.

³ *MaRS Discovery District, Impact Report, 2018.*

⁴ *MaRS Discovery District, Our Results.*

⁵ *Sheppard, V., September brought over \$1.4 billion in international investment for Toronto's tech ecosystem MaRS, 2018.*

3.3.11

Just and inclusive society

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all

We have evaluated and mapped all initiatives under the “**adheres to the rule of law and combats corruption**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**adheres to the rule of law and combats corruption**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Develop a governance and legislative infrastructure for anti-corruption	Owner	Ministry of Justice and Public Order	Start	07/2022
Initiative ID: 173	Establish an Independent Authority Against Corruption (IAAC)			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The establishment of an independent Anti-corruption Authority is necessary as the agency which will coordinate the efforts of all bodies engaged in the fight against corruption, as well as supervise the timely implementation of actions by the different competent Services.Corruption can have wide-reaching impacts on economic performance and competitiveness. Corruption can lead to rent seeking, uncertainty, inefficient investments and misallocation of resource. Corruption is a persistent issue within Cyprus, serving as a drag on Cyprus's competitiveness, strength and dynamism of its business, political and social environment.The legislation that is currently underway for establishing an Independent Authority Against Corruption (IAAC) as a non-governmental institution in combination with the current anti-corruption measures, will minimise the wide-reaching impacts of corruptionIts main responsibility will be to undertake all necessary initiatives and actions in order to ensure the cohesion and effectiveness of public service and private sector actions in the prevention, treatment and fight against corruption.		<ul style="list-style-type: none">Law Office of the Republic of CyprusCouncil of Ministers		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 10, page 359	
Key activities					
<ul style="list-style-type: none">Prioritise the passing of the bill regarding the establishment of the Independent Authority Against Corruption (IAAC) with urgency. The IAAC will be key to the successful implementation of checks and balances against corruption in Cyprus's public and private sectors. The key roles will involve: i) investigations of corruption offences and complaints, ii) examining practices and procedures of Line Ministries and Deputy Ministries and public bodies to identify where further preventative initiatives can be put in place, and iii) educating citizens and businesses on anti-corruption.Seek support from experts from international IAACs like Australia and Hong Kong.The members of IAAC should meet the following requirements:<ul style="list-style-type: none">Be from a range of agesBe from a range of professionsNot be linked to political partiesNot be allowed to have second jobsRotate to prevent cronyism and corruptionThe following should be taken into account in the design process of IAAC:<ul style="list-style-type: none">Legislation should include rules for maximum term timesConduct Public Hearing Selections for the members of IACC, the key is to provide complete transparency around who and why a member was hired and who contributed to the hiring decision\The IAAC should be located in a separate building from any government departments.					
Expected impact	5	Ease of implementation	3	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF). Consider whether funds from the Technical Support Instrument (TSI) can be utilised.	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Develop a governance and legislative infrastructure for anti-corruption	Owner	Ministry of Justice and Public Order	Start	07/2023
Initiative ID: 174	Establish a whistleblowing agency within the IAAC			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The establishment of a formal whistleblowing agency within the Independent Authority Against Corruption will enable the government to formalize the process, and give accountability to a team for creating standard procedures for whistleblowing and ensuring the safety of whistleblowersCurrently there is a draft bill that is pending regarding the additional protection measures for whistleblowers in both the public and private sector, and leniency measures for those who are implicated but cooperate fully with authorities		<ul style="list-style-type: none">Law Office of the Republic of CyprusCyprus PoliceMinistry of Finance		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 10, page 359	
Key activities					
<ul style="list-style-type: none">Establishment of a whistleblowing agency within the IAAC. The role of the agency will involve full responsibility and clear mandate to investigate, escalate and penalise. It is essential for this agency to have the autonomy, even while working in partnership with other departments, offices and organisations, including the Cyprus PoliceDevelopment of a framework for imposing sanctions and penalties on individuals and companies, for example barring offending companies from government tender processesCreate positive incentives, for example community awards for ethical behaviour and strong corporate valuesSet a strategy every 3-5 years with progress, actions and solutionsEstablish power to extract data from relevant government departments, ministries and the Central BankKey teams for different types of offences could include:<ul style="list-style-type: none">Improper conduct of public businesses and corruption in local governmentImproper conduct of private businessesMoney launderingEnvironmental offenses					
Expected impact		3	Ease of implementation		4
Dependencies					
173					

Initiative Area	Develop a governance and legislative infrastructure for anti-corruption	Owner	Ministry of Justice and Public Order	Start	07/2022
Initiative ID: 175	Implement a Code of Conduct for MPs			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The House of Representatives, on 18 February 2021, approved a decision enacting the Code of Conduct for MPs, implementing a recommendation by GRECOGRECO, Group of States against Corruption (GRECO) was established by the Council of Europe to monitor States' compliance with anti-corruption standards. Its objective is to improve the capacity of its member states to fight corruption by monitoring their compliance through mutual evaluation (i.e. peer review).A code of conduct will help drive accountability and instil a high purpose and morale fibre into public servants, irrespective of political partyCurrently there is a draft bill that is pending regarding the definition of limits of House of Representatives immunity, so it cannot be used as a shield against prosecution for members of House of Representatives		<ul style="list-style-type: none">Law Office of the Republic of CyprusHouse of Representatives of Cyprus		N/A	
Key activities					
<ul style="list-style-type: none">Implement a Code of Conduct for MPs. The code will govern the broader conduct of MPs both in and outside the House of Representatives, and regulate issues of transparency such as conflict of interest, declaration of gifts and paid trips abroad. It provides for political penalties in case of violations. It is understood that the House of Representatives approved a decision to enact such a Code of Conduct for MPs. Therefore this initiative focuses on implementing this decision.Appoint a Code of Conduct Committee according to the article of the Constitution governing by the appointed the House of Representatives Committee of SelectionMonitor the compliance with the Code by the Code of Conduct CommitteeReinforce the efforts of the Code of Conduct with ethics trainings and small, everyday marketing campaigns, for example newsletters sent through the civil service.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	178

Initiative Area	Hold politically exposed persons to account through statements of wealth	OwnerMinistry of Justice and Public Order	Start01/2023
Initiative ID: 176	Enhance the requirements on PEPs annual statements of wealth, with the objective of improving transparency of decision making and the actions of PEPs, holding them to account		End12/2023
Context		Indicative contributing stakeholders <ul style="list-style-type: none">Law Office of the Republic of CyprusOffice of the Auditor GeneralHouse of Representatives of CyprusTax Department, Ministry of Finance	Indicative links to other national plans / strategies / studies
<ul style="list-style-type: none">There is an existing legislation dealing with the statements of wealth and the sources of funds of PEPs with the objective of improving transparency of decision-making and the actions of PEPs, holding them to accountPEPs include, all politically exposed persons, the President of the Republic, Ministers, Deputy Ministers and Secretaries of State, leaders of the political parties, Members of House of Representatives and Members of the European Parliament, members of the Supreme Court, the Governor and the Deputy Governor of the Central Bank of Cyprus, the Chief and the Deputy Chief of the Police and the National Guard, and Mayors as well as independent regulators and members of the Board of state run enterprises. It also cover their spouse and dependents.The particular legislation during the last years has been updated and the statements of wealth are extended to also cover PEPs spouses and dependents.The summary of the statement of wealth, the reported income and expenses and certain other information are made available to the public and posted online in a one-stop shop website. This information can be found in the website of House of RepresentativesThe statements of wealth of PEPs are certified by a Chartered Public Accountant, as well as a machine based check for accuracy and consistency. A small team of experts is settled up to provide technical knowledge and competence, objectivity and independence, and the necessary authority.<ul style="list-style-type: none">Their role is to resolve practical issues and obstacles, and communicate the benefits and necessity of the initiative, to overcome anticipate negative reactions, and to work with PEPs to gain consensus and supportThe are penalties in place for the failure to file a return or the filing of an inaccurate return			
Key activities		National Budget	Budget
<ul style="list-style-type: none">Update the existing legislation that is insufficient and not fit for purposeReview and in-depth examine the statements of wealth by the supervisory body, the tax authorities and the Office of the Auditor GeneralImplement a Road map:<ul style="list-style-type: none">These changes represent a major upheaval of previous legislation on statements of wealth. A proposed road map for implementation of this reform involves the steady and phased introduction of these changes, including advocacy from the EU and Cypriot policymakers, conditional amnesty for pre-2020 years, and a cross-government design stage and consultation			TBD
Expected impact		Ease of implementation	Funding source
3		3	National Budget
			Case studies
			N/A
			Dependencies
			N/A

Initiative Area	Align with international standards on anti-corruption and anti-money laundering	Owner	Central Bank of Cyprus	Start	01/2022
Initiative ID: 177	Implement all Moneyval recommendations in the next 24 months			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) is a permanent monitoring body of the Council of Europe. The committee is entrusted with assessing compliance with the international standards for antimoney laundering (AML) and counter-financing terrorism (CFT).As a member of MONEYVAL, Cyprus undergoes regular evaluations on the effectiveness of its processes for preventing criminal abuse of the financial system.Out of the 40 recommendations submitted by MONEYVAL in 2019, Cyprus is rated partially compliant – the lowest level of compliance – on three.		<ul style="list-style-type: none">Law Office of the Republic of CyprusMinistry of FinanceMinistry of Justice and Public OrderCredit and financial institutionsAssociation of Cyprus banksCyprus Securities and Exchange Commission		N/A	
Key activities					
<ul style="list-style-type: none">Powers of law enforcement and investigative authorities<ul style="list-style-type: none">Review legislation around the use of controlled delivery. Controlled delivery cannot be used for the movement of cash and bearer negotiable instruments (BNIs)Correspondent banking<ul style="list-style-type: none">Assess the requirements placed on banks and financial institutions in Cyprus for combatting ML and TF. AML/CFT Law in Cyprus currently does not require credit institutions or financial institutions to collect information on whether their foreign correspondents have been subject to money laundering (ML) or terror financing (TF) investigations or regulatory actions.Revise the requirements to meet international standardsAccept third party evaluations of whether potential respondent institutions allow their accounts to be used by shell banks, rather than requiring that the credit and financial institutions make their own evaluation on this issueNon-profit organisations (NPOs)<ul style="list-style-type: none">Conduct an initial AML/CFT assessment of Cyprus NPO sector. Cyprus has not identified the subset of NPOs which may be vulnerable to TF abuse. Neither has Cyprus identified the nature of threats posed by terrorist entities to the NPOs which are at risk as well as how terrorist actors abuse those NPOs.Review the current capacity of the sector to combat ML and TFSet out an action plan for addressing the issues raised by MONEYVALDevelop best practices together with NPOs to address TF risk and vulnerabilitiesTake measures to encourage NPOs to conduct transactions via regulated financial channels					
Expected impact		Ease of implementation		Case studies	
3		3		N/A	
				Dependencies	
				N/A	

Initiative Area	Align with international standards on anti-corruption and anti-money laundering	Owner	Ministry of Justice and Public Order	Start	01/2022
Initiative ID: 178	Implement all GRECO recommendations in the next 24 months			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Group of States against Corruption (GRECO) was established by the Council of Europe to monitor States' compliance with anti-corruption standards. Its objective is to improve the capacity of its member states to fight corruption by monitoring their compliance through mutual evaluation (i.e. peer review).As a member of GRECO, Cyprus undergoes regular evaluation rounds aimed at furthering the necessary legislative, institutional and practical reforms to improve capacity to combat corruption.Out of the 16 recommendations submitted by GRECO to Cyprus in 2020, Cyprus was rated as not having implemented three.		<ul style="list-style-type: none">Law Office of the Republic of CyprusMinistry of FinanceHouse of Representatives of Cyprus		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 10, page 359	
Key activities					
<ul style="list-style-type: none">Strengthen the independence of prosecutorial functions and the capacity of the individual law officers and prosecutors to conduct their duties in a more autonomous way, guided by the safeguards necessary under the rule of lawPrioritise the passing of Independence and Autonomy bill<ul style="list-style-type: none">The Law Office has prepared a bill on its independence and autonomy. However, this has only been transmitted to the executive and the final draft is still not available. Authorities have since stated that the aforementioned bill was not able to pass beyond the executive, and that a new bill is again under consultation.Meanwhile, certain other measures have been taken to address this recommendation:<ul style="list-style-type: none">➤ general reform of the Law Office in terms of a separate budget and separate recruitment and promotion mechanisms➤ salary of almost all ranks of law officers has been aligned on equivalent salary scales of judicial officers.Ensure consistent rules apply on the acceptance by MPs of gifts, hospitality and other benefits including special support provided for parliamentary workReview internal procedures for the valuation and reporting of gifts, and the returning of those that are unacceptable, must also be developed.					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	175

Initiative Area	Modernise corporate law to meet international standards of governance and oversight	Owner	Ministry of Energy, Commerce and Industry	Start	01/2024
Initiative ID: 179	Continuously update corporate law in Cyprus to meet modern, international standards			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Following its accession to the EU in 2004, Cyprus has made strides in updating and modernising its corporate law (Cyprus Companies Law, Cap. 113) in line with EU laws and regulations. Amendments as recent as 2019 have been made to the Law, e.g. around late filing penalties, appointment of company secretaries, and the allotment of shares payable in kind.However, corporate governance in Cyprus still has room to improve. The Companies Law will be an essential means for driving these improvements forward and instilling modern, internationally-recognised standards of governance and oversight in Cyprus’s corporations.		<ul style="list-style-type: none">Ministry of FinanceLaw Office of the Republic of CyprusHouse of Representatives		N/A	
Key activities					
<ul style="list-style-type: none">Implement stricter rules on business appointments after the retirement of former MPs, senior civil servants and other officials in the public sector.<ul style="list-style-type: none">For example In the UK, appointments of this kind must be approved by the Advisory Committee on Business Appointments (ACOBA), which is an advisory non-departmental public body sponsored by the UK’s Cabinet Office.<ul style="list-style-type: none">ACOBA’s role is to advise on the conditions that should apply to appointments or employment under the UK’s Business Appointment Rules, which apply to former MPs for two yearThe Rules seek to mitigate the chances that:<ul style="list-style-type: none">the decisions of currently acting public servants are influenced by the expectation of future employment with a particular firm or organisationemployers make improper use of information to which a former public servant had accessany other causes for concernIf this body is replicated in Cyprus, it should be given the power to enforce judgements and conditions on applicants.<ul style="list-style-type: none">For example, where employment is permitted under certain conditions of confidentiality or barring the applicant from assisting in work relating to procurement, the body should be able to implement punishments and fines in cases where the applicant is found to be non-compliant.					
Expected impact		5	Ease of implementation		3
			Budget		TBD
			Funding source		TBD
			Case studies		N/A
			Dependencies		N/A

Initiative Area	Develop ethical behaviours through widespread education and training	Owner	Ministry of Education, Culture, Youth and Sports	Start	01/2024
Initiative ID: 180	Implement ethics education in primary and secondary schools			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In the Corruption Perceptions Index, Cyprus ranked 42 out of 179 countries in 2020, down 9 places since 2012. It has a score of 57/100, below Western Europe and the European Union’s average score of 66. While a number of measures have been implemented in recent times to combat corruption in Cyprus’s government institutions, there is more still to be done.To this end, ethics education can be used to promote values and morals in children, which will yield long term benefits in the empowerment of Cypriots to act with integrity.		<ul style="list-style-type: none">Ministry of Justice and Public OrderTeachers’ UnionsParents’ UnionsCyprus Pedagogical Institute		N/A	
Key activities					
<ul style="list-style-type: none">Consider ethics to become a mandatory subject in both primary and secondary schoolsIncorporate practical methods of teaching in ethics trainings, with the use of real world case studies, classroom debates and teamwork, as opposed to textbook learning<ul style="list-style-type: none">A sample of an ethics education curriculum:<ul style="list-style-type: none">Infants: Stories, poems and rhymes to prompt children to listen to others, take turns to speak, and give reasons for opinionsPrimary school: Focus on developing critical thinking and discussion-based skills through stories, contemporary examples and real life scenariosSecondary school: Enhance skills of collaborative inquiry, developing valid arguments and evaluating evidence through case studies and hands-on examplesInclude ethics topic within a broader subject covering:<ul style="list-style-type: none">social topics (i.e. relationships, equality)health (i.e. healthy lifestyles)financial education (i.e. taxes and savings)Include ethics teaching within other subjects, for example history, politics and science. In this way, students can apply their ethics learnings in many contexts and the principles can be fully embedded within societyTrain teachers in order to fully implement this reform. Government can work to implement teacher training in ethics by bringing in experts from relevant institutions, e.g. UNESCO, or other EU countries which have successfully implemented ethics training, e.g. Germany, France					
Expected impact	2	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	141

Initiative Area	Develop ethical behaviours through widespread education and training	Owner	Ministry of Justice and Public Order	Start	01/2024
Initiative ID: 181	Implement mandatory ethics training for public servants			End	12/2024
Context		Indicative contributing stakeholders			
<ul style="list-style-type: none">Ethics trainings are part of the effort to change society's attitude and perceptions on relevant issues, such as reinforcing society's sense of the need for sound management and accountability, encouraging society to resist and prevent corruption and enhancing the participation of non-governmental agencies.Ethics training for public servants can build integrity and strengthen anti-corruption behaviours in Cyprus's civil service and raise awareness in society and cultivate a consciousness of zero tolerance		<ul style="list-style-type: none">Law Office of the Republic of CyprusHuman Resource Development AuthorityCyprus Productivity Center of the Ministry of Labour, Welfare and Social InsuranceEmployers' representativesPrivate sector trainers			
Key activities					
<ul style="list-style-type: none">Embed ethics training within Cyprus's wider anti-corruption efforts Cyprus must have a balanced and comprehensive anti-corruption strategy, of which ethics training will support in maintaining for future generationsPerform a pilot of ethics training to senior government authorities Ethics training must have strong buy-in from senior leadership and across political parties. This will show buy-in through action, and not just declarations. Buy-in from senior leadership can be further sustained through appropriate allocation of funds and manpower for the implementation of these training programmesEmbed the requirement of ethics training into legislation It is important to have legislative or other official requirements in order for the practical implementation of ethics training to be successful. For example, it can be embedded into the Code of Conduct and part of mandatory CPDDeliver target training sessions to specific groups of public officials as it is phased in and the training is scaled up Training can be prioritised for: new public officials, senior public officials in management positions, and public officials in areas at risk of corruptionEmbed practical elements into trainings Apply modern training methods, e.g. theoretical lectures, case studies, and workshop-style learningEvaluate the effectiveness of the training Ethics training can be assessed along metrics of outputs, e.g. number of public officials trained. Measuring effectiveness in eliminating corruption is more difficult, and can only be assessed in the long term.					
Expected impact		Ease of implementation		Case studies	
2		2		N/A	
				Dependencies	
				N/A	
Indicative links to other national plans / strategies / studies					
<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 10, page 359					
Budget					
Funds secured through the Recovery and Resilience Fund (RRF)					
Funding source					
Recovery and Resilience Fund (RRF).					

Additional case studies

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all



Case study: Australia

Independent Commissioner Against Corruption (ICAC) of South Australia

The Commissioner's office and the OPI have been established to promote and preserve integrity in South Australian public administration. The OPI receives and assesses all complaints and reports made under the ICAC Act. It also oversees the assessment and investigation of complaints and reports about South Australia Police, including referring some police complaints to the ICAC for investigation.

The most well known function of the Commissioner's office is to identify and investigate corruption in public administration. However, the Commissioner has other important functions. These include assisting agencies to identify and deal with misconduct and maladministration, and delivering an education program designed to prevent or minimise corruption, misconduct and maladministration in public administration.

Also serving the Commissioner's prevention function is the ability to conduct an evaluation of the practices, policies and procedures of an agency. The purpose of an evaluation is to assist agencies to advance systems that will prevent or minimise inappropriate conduct and practices.

Purpose

ICAC's purpose is to preserve and promote integrity in public administration through proactive prevention and educational initiatives, the investigation of corruption in public administration, and the investigation or referral of misconduct or maladministration in public administration.

Enablers of success

- Collaboration with SA Police to investigate corruption within the Police departments and utilised police officers to assist in cases where ICAC did not have the resources.
- Corruption investigations, Maladministration investigations and referrals to another agency for investigation or action
- Deliver education and prevention initiatives to public officers
- Acknowledge, in writing, the receipt of any complaint or report within two working days or less
- Assess all complaints in an average time of 25 working days or less

What were the impacts or successes of the ICAC's interventions?

- As a result of a joint investigation with the South Australian Police into Operation Mantle, charges of theft and abuse of public office were laid against six police officers.
- An employee of the public sector was arrested and charged with abuse of public office, 233 counts of theft and 114 counts of dishonest dealing with documents.
- A man, previously employed in the public sector was charged with six counts of abuse of public office between February and July 2013. His alleged offences related to the improper use of information for personal gain.
- A Chief Executive from a South Australian government agency was charged with two counts of abuse of public office.
- Charged five men from the Department of Transport engaged in the misappropriation of goods purchased with government credit cards.
- Annual Reports of ICAC were published and presented to Parliament.
- Public Statements by ICAC commissioner if ICAC believes a particular matter is of public interest e.g. maladministration for sale of public land.



Case study: Australia

Independent Commissioner Against Corruption (ICAC) of New South Wales

The Independent Commission Against Corruption (ICAC), an independent agency of the Government of New South Wales, is responsible for eliminating and investigating corrupt activities and enhancing the integrity of the public administration in the state of New South Wales, Australia. The Commission was established in 1989, pursuant to the Independent Commission Against Corruption Act, 1988 (NSW), modelled after the ICAC in Hong Kong.

The Chief Commissioner is required to submit a report on the activities of the Commission to the Parliament of New South Wales and whilst independent of the politics of government, reports informally to the Premier of New South Wales. The commission is charged with educating public authorities, officials and members of the public about corruption.

The Inspector of the Independent Commission Against Corruption is an independent statutory officer whose role and functions is to hold the ICAC accountable in the way it carries out its function. The Inspector's role are set out in Part 5A of the ICAC Act. The Inspector is not answerable to ICAC in any way and is located in physically separate premises from the ICAC. The Inspector's role includes: undertaking audits of the ICAC's operations to ensure compliance with the law; dealing with complaints about the conduct of the ICAC and current and former officers; and assessing the effectiveness and appropriateness of the ICAC's procedures.

Purpose

The goal of the NSW ICAC is eliminating and investigating corrupt activities and enhancing the integrity of the public administration in the state of New South Wales, Australia.

Undetected and unchecked corruption in the public sector can cause serious damage including:

- Undermining public trust in government;
- Wasting public resources and money;
- Causing injustice through advantaging some at the expense of others;
- Inefficiencies in operations; and
- Reputational damage which makes it difficult to recruit and retain quality staff or obtain best value in tender processes.
- It may also be more difficult to attract business investment, adversely affecting prosperity.

Interventions

The ICAC reduces corruption risks by ensuring that motivation to act corruptly is recognised and managed, that the opportunity to engage in corrupt behaviour is limited by the structures and systems of the organisation, that the risk of detection is heightened through supervision and reporting, and that the integrity and good repute of public administration is promoted.

Through the receipt, analysis and assessment of complaints and reports of alleged corruption, referrals by the NSW Electoral Commission of certain possible criminal offences under election funding, election or lobbying laws, and the conduct of investigations, compulsory examinations and public inquiries into serious and systemic corruption.

The ICAC conducts training workshops, speaking engagements and educational events to help minimise corruption in the NSW public sector.

3.3.12

Just and inclusive society

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all

We have evaluated and mapped all initiatives under the “**Promotes liveability, equal access and opportunities for all**” strategic objective against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**promotes liveability, equal access and opportunities for all**” strategic objective. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Create safe and liveable communities	Owner	Department of Town Planning and Housing, Ministry of Interior	Start	01/2023
Initiative ID: 182	Invest in overall livability aspects of Cyprus’s cities			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">New developments for affordable housing can regenerate residential spaces and attract movers (e.g. new families, recent graduates) and place safety at its heartUrban green spaces provide residents with a range of benefits: they promote mental and physical health, reduce exposure to pollutants and can serve as centres for social activities and community interactionNeighbourhood aesthetics form a significant part of the appeal that could attract potential residents into rural areas. Investments into making a city a better place to live and work in should take into account not only the practical aspects of buildings and spaces, but also their visual attractiveness, cleanliness and cohesion with the area’s culture and heritage.		<ul style="list-style-type: none">Ministry of FinanceMinistry of Labour, Welfare and Social InsuranceDeputy Ministry of Social WelfareMinistry of Energy, Commerce and IndustryLocal municipalitiesUnion of Cyprus Municipalities			
Key activities					
<ul style="list-style-type: none">Affordable housing<ul style="list-style-type: none">Introduce effective housing policy, based on demographic need and best practicePolicy suggestions include:<ul style="list-style-type: none">➤ housing subsidies for families that cannot afford to pay market rents➤ rent-to-buy schemes and repurposing of vacant properties into affordable housing➤ incentivise developers to build affordable housing through tax relief, among othersEnsure that a set proportion of every new build is designated as affordable housing. For example, in the UK, councils can dictate that 25% to 40% of new dwellings in any development are affordable housing).Focus on new affordable housing developments in inner city areas to regenerate residential spaces and attract movers (e.g. new families, recent graduates) and place safety at its heart.Green spaces<ul style="list-style-type: none">Invest in public green spaces, such as parks, playgrounds and roadside greenery, to deliver these quality of life benefits to local communitiesEmphasize in the maintenance of existing parks and set guidelines autonomous municipalities need to meet.Built environment<ul style="list-style-type: none">Coordination of municipalities with building managers to plan the renovation of residential and commercial buildings at scale in order to protect and improve the visual appeal of the built environmentSet timelines, drawing up design plans, and securing funding for retrofitting buildings to meet modern energy efficiency standardsConsider the existing natural environment of Cyprus (e.g. beachfronts), and include details on how renovation can be done in a sustainable and green way.Implement national standards for the aesthetic quality of buildings, e.g. height limits and materials, while still allowing local municipalities to set more detailed guidance, e.g. colour schemes, for new developments in their area.					
Expected impact	5	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Create safe and liveable communities	Owner	Public Works Department, Ministry of Transport, Communication and Works	Start	07/2023
Initiative ID: 183	Improve safety and compliance with the law			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Lack of continuous and functional road network with appropriate pavements and ramps suitable to safely accommodate active travelling for pedestrians, cyclists, and vulnerable users in urban centres has adverse health and social impact on the standard of living and is an obstacle to the social integration of people with disabilityHowever, tougher traffic fines were introduced in 2020 such as fines for the offences of drunk driving, speeding, and driving while using a mobile phone all saw increases, among othersIllegal car parking on pavements or on double yellow lines which are not only an inconvenience for residents and commuters, but also a safety risk for people with disabilities and limited mobility		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyMinistry of Energy, Commerce and IndustryMinistry of Labour, Welfare and Social InsuranceLocal municipalitiesUnion of Cyprus MunicipalitiesCyprus Police		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 2.2, Investment 1, page 149	
Key activities					
<ul style="list-style-type: none">Improve safety on roads<ul style="list-style-type: none">Push forward investments in automated speed cameras along all major roads in the country. At the moment, this technology is only in place in certain streets in Nicosia.Limit illegal parking<ul style="list-style-type: none">Improve its enforcement to deter further offencesPlace CCTV in roads where illegal parking is rampantExpand and target the workforce of traffic wardens at these roads where illegal parking is rampantDevelop smart parking<ul style="list-style-type: none">Deter illegal parking by providing better legal parking facilitiesAccelerate Smart parking. For example, Paphos Municipality recently launched a pilot for a ‘smart’ system to manage major parking areas. This system will manage parking spaces through sensors, and communicate information to motorists through a mobile application. If successful, other municipalities should seek to replicate this pilot.Eliminate littering and improve cleanliness<ul style="list-style-type: none">Implement novel technologies such as drones to help monitor illegal dumping sites and identify repeat offendersImprove the overall cleanliness of cities and green spacesincrease jobs for sanitation workers and invest in machineryPrevent noise pollution and anti-social behaviour<ul style="list-style-type: none">Municipalities can develop a reporting phone line or mobile phone application for citizens to report offendersImplement building standards and planning policies around noise insulation.					
Expected impact		Ease of implementation		Dependencies	
3		4		N/A	

Initiative Area	Ensure that all citizens have equal access to opportunities in all walks of life	Owner	Commissioner for Administration and Protection of Human Rights	Start	01/2022
Initiative ID: 184	Elevate the role of the Commissioner for Administration and Protection of Human Rights by assuming further responsibility for implementing annual National Diversity and Inclusion Action Plans			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Commissioner for Administration and the Protection of Human Rights (Ombudsman) of Cyprus is an independent Incumbent. The Ombudsman constitutes the most prevalent institution of extra judicial control of the administration and protection of human rights.A broad and all-encompassing definition of of diversity includes a range of differences - visible and invisible - such as gender, physical appearance, religious beliefs, age, sexual orientation, culture, political beliefs, socioeconomic background, profession, etc. The five main reasons why it's important to have a diverse and inclusive society is (1) we learn different perspectives, (2) we minimise discrimination and become more accepting, (3) productivity and efficiency increases, (4) we unite our efforts to improve the world at large and (5) we become enriched and wordlyGiven the increasing importance of diversity and inclusion in society, it is important that the Ombudsman strengthens and elevates its role and efforts in relation to these matters.		<ul style="list-style-type: none">Deputy Ministry of Social WelfareCommissioner for Gender EqualityMediterranean Institute of Gender Studies		<div>N/A</div>	
Key activities					
<ul style="list-style-type: none">Elevate the role of the Commissioner for Administration and Protection of Human Rights by assuming further responsibility for implementing annual National Diversity and Inclusion Action Plans. Its mandate should be to promote diversity and inclusion in all walks of life, work and society by:<ul style="list-style-type: none">Conducting research on measures to protect human rights, reporting and making recommendations, and providing advice to the government, House of Representatives and other bodies on information on human rights.Developing policies relevant to diversity and inclusion and promoting relevant education and awareness.Preparing and coordinating the implementation a Diversity and Inclusion Action Plan every year. This plan should set out the government's vision and strategic plan for boosting diversity across the workplace and improving inclusion in society, regarding diversity, inclusion and non-discrimination against race, sexuality, and people with disabilities. It should also list policies and initiatives and have a detailed list of KPIs that are tracked, particularly with respect to the religious groups in Cyprus as mandated by its Constitution.Monitoring progress and reporting on the annual Diversity and Inclusion Action plan.Monitoring and managing infringements of equality law.Utilising European Programmes in the fields of diversity and inclusion					
Expected impact	4	Ease of implementation		4	
Budget					
<div>TBD</div>					
Funding source					
<div>Consider utilising Technical Support Instrument (TSI)</div>					
Case studies					
<div>N/A</div>					
Dependencies					
<div>N/A</div>					

Initiative Area	Ensure that all citizens have equal access to opportunities in all walks of life	Owner	-Ministry of Labour, Welfare and Social Insurance -Ministry of Education, Culture, Sport and Youth	Start	01/2024
Initiative ID: 185	Enshrine in law that all Ministries must conduct diversity impact assessments every three years.			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Having a working environment filled with employees of different backgrounds, skills, experiences and knowledge leads to an increase in innovative and creative ideas.By having an inclusive and diverse environment, this allows more and wider perspectives to be integrated when brainstorming, problem solving and developing new ideas.Those that see people from all backgrounds working in an organisation will more likely accept the job offer and feel more welcomed. This allows organisations to hire the best talent too, ensuring that the best skills are hired and not based solely on the person's appearance.Working in an environment that promotes diversity and inclusivity makes employees feel happier to be at work which will reflect on the work produced.Teamwork and co-operative work can increase productivity in business. This is because a diverse team can provide their ranges of experiences and skills and allow other co-workers to learn and work well with together.Having a diverse and inclusive team will not only benefit your organisation internally but also most importantly your customers (citizens and businesses). This is because employees are able to communicate and address effectively as they have similar backgrounds with the intended target audience.If the organisation encourages diversity and inclusion, then when it comes to finding new talent there is more to choose from.		<ul style="list-style-type: none">Deputy Ministry of Social WelfareCommissioner for Administration and Protection of Human RightsPublic Administration and Personnel Department (PAPD)Cyprus Academy of Public Administration (CAPA)Human Resource Development Authority of Cyprus (HRDA)Employers' representatives (Cyprus Employers and Industrialists Federation (OEB) and Cyprus Chamber of Commerce and Industry (KEBE), etc.)		N/A	
Key activities					
<ul style="list-style-type: none">Enshrine in law that all Ministries must conduct diversity impact assessments every three years. The impact assessments should assess whether a law, policy or programme reduces, maintains or increases inequalities between race, abilities and others. This therefore makes the government accountable for diversity and inclusion in its decision making, making it the responsibility of Ministries to incorporate all aspects of diversity and equality (i.e. gender, race, disability) in all aspects of planning and administration, particularly with respect to the religious groups in Cyprus as mandated by its Constitution. Owner: Ministry of Labour, Welfare and Social InsuranceMake it mandatory that all civil servants, MPs, and public sector workers must complete unconscious bias training. Encourage businesses to do the same – for example through the Diversity Charter (ID191) Owner: Ministry of Labour, Welfare and Social InsuranceRun workshops on how to promote equality and create an inclusive culture in the workplace. Engage with selected enterprises and organisations to provide inspiration materials with specific examples of how to work with the gender and race balance in management. In cooperation with the recruitment sector it should be assessed how the sector can promote a more balanced representation of women and men in the recruitment base for boards and management. Owner: Ministry of Labour, Welfare and Social InsuranceInclude comprehensive relationships and sex education (RSE) in primary and secondary school curricula. RSE is critical to protecting people from abuse and sexual harassment, teaching people about safety, security and acceptance. It is the fundamental way to create an open and inclusive society. RSE should be offered in all schools with age appropriate content, trained educators, and partnership with parents and carers. Owner: Ministry of Education, Culture, Sport and Youth					
Expected impact	4	Ease of implementation	2	Dependencies	
				184 & 188	

Initiative Area	Build awareness and momentum from businesses to drive diversity and inclusion	Owner	Commissioner for Administration and the Protection of Human Rights	Start	01/2026
Initiative ID: 186	Require more companies to publish gender pay gap stats			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has made remarkable strides in reducing the gender pay gap – coming down from an economy-wide gender pay gap of 22% in 2007 to around 10% in 2019, lower than the EU27 average of 14.1% and other EU countries such as the Netherlands, Denmark, and GermanAn EU Directive proposed 4 March 2021 suggests that employers with at least 250 employees must publish information on the pay gap between female and male workers in their organisationPay gap reporting can support equal opportunities and change the way that workspaces functions by:<ul style="list-style-type: none">Driving companies to examine the state of diversity in their workforce. If large pay gaps do exist, the data gives business leaders and owners the supporting evidence to ask difficult questions around discrimination and deterrents for vulnerable and minority groups within their companyGiving the government oversight of pay disparities. This data can help inform policy development and identify deficiencies in current labour regulations.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceCommissioner of Gender EqualityCitizen's CommissionerEmployers' representatives (e.g. the Cyprus Employers & Industrialists Federation,the Cyprus Chamber of Commerce and Industry etc.)Mediterranean Institute of Gender Studies		<ul style="list-style-type: none">N/A	
Key activities					
<ul style="list-style-type: none">Evaluate the proposed legislation for Cyprus<ul style="list-style-type: none">Consider adjusting the legislation to account for Cyprus's greater prominence of small companies given that in Cyprus, only around 80 companies have more than 250 employees (as per 2018 Eurostat data). For example, if Cyprus's share of large companies was the same as the EU average, it would mean 20 more companies submitting dataIssue national guidance on the following to ensure consistency and accurate data<ul style="list-style-type: none">Which companies are required to report. Evaluate whether a minimum for workforce size lower than the EU recommendation should be considered, in order to take into account the large number of SMEs in Cyprus with under 50 employees.Timelines, e.g. deadlines for reporting each yearHow to collect pay gap data, e.g. measurement and data collection methodsHow to calculate pay gap statistics – to ensure consistent and comparable dataPublish results, for example through a government webpage, where people will be able to search for a specific company's pay gaps. This will place additional reputational incentives on employees to expand their equal opportunities efforts.					
Expected impact		Ease of implementation		Case studies	
3		2		N/A	
				Dependencies	
				N/A	

Initiative Area	Build awareness and momentum from businesses to drive diversity and inclusion	Owner	Ministry of Labour, Welfare and Social Insurance	Start	07/2027
Initiative ID: 187	Tie government procurement to ethical employer accreditations			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The issues surrounding diversity and including in the labour market are complex and tackling them successfully means, changing the way that workspaces, businesses, the government and wider society functionsThe government can help to ensure that its commercial activities create positive impacts on labour market practices by tying procurement to criteria for the ethical recruitment and employment of migrants.		<ul style="list-style-type: none">Citizen's CommissionerCommissioner for Administration and the Protection of Human RightsHuman Resource Development AuthorityEmployers' representatives (e.g. the Cyprus Employers & Industrialists Federation,the Cyprus Chamber of Commerce and Industry etc.)Private sector trainersMediterranean Institute of Gender Studies		<ul style="list-style-type: none">N/A	
Key activities					
<ul style="list-style-type: none">Require contractors to obtain a specific employer accreditation/certification.<ul style="list-style-type: none">For example, the International Recruitment Integrity System (IRIS) is a global benchmark for ethical recruitment standards for migrants. Employers can be certified under IRIS standards and become preferred employers alongside multinational companies. Examples of the standards that IRIS assesses employers of migrants against include:<ul style="list-style-type: none">➢ Respect for freedom of movement – recruiters must not withhold, destroy or confiscate documents or wages or otherwise limit freedom of movement➢ Respect for confidentiality – recruits must not record personal data of migrants which is not required for facilitating their deploymentIRIS also reviews whether employers follow general labour regulations around insurance rights, sick pay, and holiday allowance.Promote best practice for ethical recruitment by hosting conferences and seminars that inform employers and migrants of obligations and rightsEmbed ESG values into public procurement by developing a framework for assessing social impactCreate a workplace that reflects the diversity of society, helping employees feel dignified, valued and respected. • Recognise and invest in each employee's differences and talents, focusing on human resource management based on each individual's knowledge, skills and competencies. • Promote mutual trust, equal treatment and non-discrimination, among organisations and their employees and support an inclusive workplace, free of bias. • Develop policies, strategy and practices based on the acceptance of diversity and inclusion and apply a multifaceted approach towards every aspect of the organisation's operations, management processes and culture in general. • Disclose its commitment to the Diversity Charter Cyprus and the achievements of its diversity policy both internally and externally					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">UK:Social Value Model (Appendix 4.2)
				Dependencies	86

Initiative Area	Create strategic leadership position to promote diversity and inclusion	Owner	Center of Social Innovation	Start	07/2023
Initiative ID: 188	Enhance and promote the Diversity Charter Cyprus			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Diversity Charter Cyprus (DCC) was established in 2019 and aims to promote diversity and inclusion in the workplace, ensuring equal opportunities for all employees by fostering diversity thinking and implementation of inclusive practicesBy signing the charter, companies commit to:<ul style="list-style-type: none">Create a workplace that reflects the diversity of society, helping employees feel dignified, valued and respectedRecognise and invest in each employee’s differences and talents, focusing on human resource management based on each individual’s knowledge, skills and competenciesPromote mutual trust, equal treatment and non-discrimination, among organisations and their employees and support an inclusive workplace, free of biasDevelop policies, strategy and practices based on the acceptance of diversity and inclusion and apply a multifaceted approach towards every aspect of the organisation's operations, management processes and culture in generalDisclose its commitment to the Diversity Charter Cyprus and the achievements of its diversity policy both internally and externallyTo date, more than 40 signatories have joined the DCC including public bodies e.g. Cyprus Energy Agency (CEA) and the Health Insurance Organisation (HIO), private sector companies e.g. KMPG, and education providers e.g. Olympion High School and Frederick University.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceDeputy Ministry of Social WelfareCitizen's CommissionerCommissioner for Administration and the Protection of Human RightsCommissioner of Gender EqualityHuman Resource Development AuthorityLocal businessesUniversities and education centres		N/A	
Key activities					
<ul style="list-style-type: none">Create a dedicated website, as opposed to solely a Facebook page<ul style="list-style-type: none">The Diversity Charter Cyprus needs to be formalised and officialPromote case studies and policies<ul style="list-style-type: none">Move from commitments to a demonstration of action and implementationBuild a proven track record<ul style="list-style-type: none">Collect data on the signed up companies and make this publicly available,Track progress on KPIs such as gender pay gap, employment, employee satisfaction.This is crucial to building reputational pressure for change and signalling to other companies that now is the time for changePilot and promote policies<ul style="list-style-type: none">Policymakers should use these companies as a base to pilot new policies, such as widespread unconscious bias training, and encourage them to be the trailblazers					
Expected impact	4	Ease of implementation	5		
Dependencies					
N/A					

Initiative Area	Build awareness and momentum from businesses to drive diversity and inclusion	Owner	Public Administration and Personnel Department, Ministry of Finance	Start	01/2024
Initiative ID: 189	Appoint diversity managers within the public sector and promote in the private sector			End	06/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Diversity managers and task forces monitor talent management processes (e.g. recruitment or promotions) and diversity. They can help reduce biased decisions in recruitment and promotion by increasing accountability, as people who make decisions will know that their decision may be reviewed against diversity criteria.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceDeputy Ministry of Social WelfareCitizen's CommissionerCommissioner for Administration and the Protection of Human RightsCommissioner of Gender EqualityPrivate sector entitiesCenter of Social InnovationHuman Resource Development Authority		<ul style="list-style-type: none">N/A	
Key activities					
<ul style="list-style-type: none">Engage regularly with vulnerable and minority groups within a government department or companyDevelop programme plans to address any issues raisedHold oversight over the programme results and improvement processesAppoint a Diversity Manager in all ministerial departments and public sector organisations<ul style="list-style-type: none">Diversity Manager will be responsible for promoting good practice, escalating any issues or complaints, monitoring data and KPIs, serve as a confidential source to report inappropriate behaviour, and ensure appropriate recruitment practicesEncourage and educate companies in the private sector about the benefits of such a role and use the Diversity Charter to pilot and promote itAppoint a leader with senior or executive-level decision-making power to visibly increase diversity at Board level.<ul style="list-style-type: none">This lead should be in the position to ask for more information on why HR decisions were madeSecure strong sponsorship from senior/executive-level leadership<ul style="list-style-type: none">This is especially in large companies or departments with workers in several different workstreams and clustersEnsure visibility of internal data<ul style="list-style-type: none">The diversity of task force should have clear transparency around employment.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">IBM Corporation: Managing Diversity at IBM with Diversity Task Forces (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Promote gender equality, starting from school, across the workplace and in politics	Owner	Commissioner of Gender Equality	Start	01/2025
Initiative ID: 190	Promote gender equality in politics			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Women’s equal participation in political leadership is an integral step in achieving sustainable and inclusive growth. However, achieving gender parity in Cyprus political system is still far off. Supporting working women in government will in turn support working men.However, women still suffer from under-representation in certain areas such as the House of Representatives membership, showing that some opportunities may be afforded less to women in Cyprus, only 18% of seats in the House of Representatives are held by women in Cyprus, compared to up to 42% in Finland.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceDeputy Ministry of Social WelfareCommissioner for Administration and the Protection of Human RightsCommission of Gender EqualityHouse of RepresentativesMediterranean Institute of Gender Studies		<ul style="list-style-type: none">N/A	
Key activities					
<ul style="list-style-type: none">Mandate that one in three candidates for the municipal and House of Representatives elections in Cyprus are women by 2030 and one in two by 2040 This policy has been successful applied in other European countries and encourages developing female role models.Permit female politicians to bring their infant children to work, especially at the breastfeeding age<ul style="list-style-type: none">Create suitable facilities for changing and feeding for women in House of Representatives within a reasonable distanceReview the possibility to enshrine in law that women should be permitted to breastfeed while in the House of RepresentativesGive working parents, fathers and mothers, more flexibility to meet family responsibilities by introducing proxy voting in the House of Representatives<ul style="list-style-type: none">Consider allowing voting from home via weblink for parents of infant children, which has been shown to be a viable option during the COVID-19 pandemic					
Expected impact	4	Ease of implementation		4	

Budget	TBD
Funding source	TBD
Case studies	N/A
Dependencies	N/A

Initiative Area	Promote gender equality, starting from school, across the workplace and in politics	Owner	Ministry of Labour, Welfare and Social Insurance	Start	01/2025
Initiative ID: 191	Promote gender equality in workplace			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The issues surrounding gender equality and broader diversity & inclusion in the labour market are complex, and tackling them successfully means changing the way that workplaces, businesses and wider society functions.However, women still suffer from under-representation in certain areas such as the ICT, showing that some opportunities may be afforded less to women in Cyprus, only 2% of employed females work in the ICT sector compared to 4% for males		<ul style="list-style-type: none">Deputy Ministry of Social WelfareCommissioner for Administration and the Protection of Human RightsCommissioner of Gender EqualityCenter of Social InnovationPublic Administration and Personnel Department, Ministry of FinanceHouse of RepresentativesMediterranean Institute of Gender StudiesEmployers' representatives (e.g. Cyprus Employers & Industrialists Federation, Cyprus Chamber of Commerce and Industry etc.)		<ul style="list-style-type: none">N/A	
Key activities					
<ul style="list-style-type: none">Encourage men to take up childcare roles by rolling out more generous paternity leave policies<ul style="list-style-type: none">Review parental leave policy, maternity and paternity leaves, and identify if and how it has affected the tenures of its House of Representatives members by sex<ul style="list-style-type: none">Cypriot labour law provides fathers, including those who are adopting, with two consecutive weeks of paid leave. This is much less than the more generous paternity leave policies in other EU member states such as Sweden, which offers 480 days at 80% of normal payConsider joint parental schemes<ul style="list-style-type: none">For example in Sweden and Germany joint parental schemes have proved successfulRun an awareness campaign about parental leave to encourage men to take up the opportunityOwner: Ministry of Labour, Welfare and Social InsuranceCollect sex disaggregated data on the use of ICT and women's participation in policy-making<ul style="list-style-type: none">Develop targets, indicators and benchmarks to track the progress of women's and girl's access to the benefits of ICT<ul style="list-style-type: none">This data will be key in understanding where it is in the education and career journey that women's representation falls behind.Create a publication on women's representation in these sectors, identifying the reasons for underrepresentation and committing to KPIsOwner: Ministry of Education, Culture, Sport and YouthCombat sexual harassment at work<ul style="list-style-type: none">Hold consultation on sexual harassment at work with women and men across different sectors.Focus on breaking the taboo around sexual harassment and on respect, good tone and courtesy at work.Owner: Ministry of Labour, Welfare and Social Insurance					
Expected impact	4	Ease of implementation	5	Budget	TBD
				Funding source	Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Promote gender equality, starting from school, across the workplace and in politics	Owner	Ministry of Education, culture, Sport and Youth	Start	01/2025
Initiative ID: 192	Promote gender equality in schools and education			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Period poverty exists when people who menstruate are not able to access sanitary products, or have poor knowledge around menstruation due to financial constraints. This leads to absences from school.Cyprus can lead the way and be the first country in the EU to offer free sanitary products to school children from vulnerable groups for whom sanitary products may not be readily available or affordableOffering high quality facilities will help young women remove stress from their school environmentCreating visibility to young girls about the female success and the career paths women can take in the ICT sector will improve the statistics of Cyprus with only 2% of employed females work in the ICT sector compared to 4% for males		<ul style="list-style-type: none">Deputy Ministry of Social WelfareCommissioner for Administration and the Protection of Human RightsCommissioner of Gender EqualityCenter of Social InnovationDeputy Ministry of Research, Innovation and Digital PolicyMediterranean Institute of Gender Studies		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 4, page 464	
Key activities					
<ul style="list-style-type: none">Offer free sanitary products to school children.Expand free sanitary products in universities and other designated public places such as community centres.Improve the availability of private, safe latrines and acceptable menstrual hygiene management (MHM) facilities in schools. High quality hygiene facilities will help young women by removing related stressors from the school environment.Provide STEM mentorship programmes, particularly with other female IT specialists:<ul style="list-style-type: none">Target primary and secondary school girls in order to raise early awareness. This will also help to increase visibility of female success and the career paths women can take in the ICT sector and allow them to factor in this information into their decisions for higher and/or further education.Nurture family engagement in STEM learning:<ul style="list-style-type: none">Create a list of recommended books and toys to be shared with parents for use at home with their children to promote STEM learning.Further encourage at-home activities by providing instructions/lesson plans to parents from and day-cares, for example on simple science experiments that can be performed using household items.					
Expected impact	4	Ease of implementation	5	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	141

Initiative Area	Embed flexible working across the economy to increase labour market participation	Owner	Ministry of Labour, Welfare and Social Insurance	Start	01/2022
Initiative ID: 193	Expand flexible working practices across public and private sector organisations			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">COVID-19 has had a profound impact on the labour market, forcing organisations to change their ways of work rapidly and comprehensively. It is unlikely that office work patterns will revert completely to what they were before the pandemic. Employers must factor this into their plans for the future by investing in flexible ways of workingAdapting to more flexible working practices can have a strong and positive effect on the employment of people with out-of-work responsibilities, for example parents and other carers, who can be disadvantaged by traditional work hours.A key enabler of flexible work is the digitalisation of businesses. Without the foundational infrastructure – stable internet connections, modern digital equipment, cloud sharing and digital literacy standards for employees – flexible working will be difficult to implement on a broad and wide-reaching basis.		<ul style="list-style-type: none">Commissioner for Administration and the Protection of Human RightsCommissioner of Gender EqualityLaw Office of the Republic of CyprusDeputy Ministry of Research, Innovation and Digital PolicyHuman Resource Development AuthorityPrivate sector trainers			
Key activities					
<ul style="list-style-type: none">Organisations should review the types of flexible work arrangements (listed below), formalise these through their Human Resources departments and communicate the different options to their employees. Policymakers can offer guidance on this.<ul style="list-style-type: none">Flexitime: Give employees the freedom to structure their workdays – when, where and for how long they workCompressed workweek: Employees get a shorter workweek but still work the same number of hoursJob sharing: Two part-time employees share the job of one traditional full-time employee. This could follow a one week on, one week off structure, or a structure whereby each employee works certain days of the weekRemote work: Employees will work from home or another location outside of the office for some or all of their workweekPermanent part-time arrangements: Employee shortens their workweek stipulating the number of days in a year an employee must work, instead of by week.Review legislation in order to establish flexible working in Cyprus as a statutory right<ul style="list-style-type: none">Currently, there is no statutory right to request flexible working in Cyprus. For example, in other European countries, including the UK, Belgium and France, offer this statutory right for employees regardless of parental or caring responsibilities. With this statutory right, employers must consider requests for flexible working in a reasonable manner and can only refuse under conditions stipulated by legislationOrganisations should make the relevant investments in order to create flexible working arrangements<ul style="list-style-type: none">Subsidise the resources required for efficient home working, e.g. laptops, monitor screens and office chairs.Invest in online infrastructure, for example cloud drives and video conferencing software.Organisations should change their culture and train management in supporting flexible working<ul style="list-style-type: none">Project and department heads should be trained in supporting their team members: drawing clear boundaries for meeting scheduling and project work in line with flexible working arrangements<ul style="list-style-type: none">Secure buy-in from senior leadership, and well-trained management can help mitigate this.Invest in a dedicated immigration task force that can check compliance with Cyprus's regulations in this area.<ul style="list-style-type: none">Organisations which are interested in expanding flexible work arrangements across their workforce should consider what this means for migrant workers as they may have different requirements in order to maintain their visa and the right to work					
Expected impact	4	Ease of implementation	3	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				60 & 62	

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Ministry of Interior	Start	01/2022
Initiative ID: 194	Support continuity of regional policy that lasts beyond political cycles			End	12/2022
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Social inclusivity and stability are key for sustainable growth. However, there are still disadvantaged areas in Cyprus, which show relatively lower outcomes in indicators such as household income and education:<ul style="list-style-type: none">Cyprus’s Gini coefficient of equivalised disposable income is relatively higher than EU27 average, at 31.1 in 2019 compared to 30.2Differences between disadvantaged and advantaged schools in average reading scores are high and in some cases are equivalent to two or three years of schoolingRegional policies are susceptible to policy churn and poor institutional memory. As levelling up regions normally requires extensive and complex reforms, ensuring that objectives and strategies remain in place regardless of political term will be key to their success.Focusing on the communities and vulnerable groups that may be falling behind will allow regions to level up and share in Cyprus’s progress in reaching Vision 2035Possible reforms to target the continuity of regional policy are shown in key activities below		<ul style="list-style-type: none">Citizen's CommissionerCitizens Services Centres (Κέντρα εξυπηρέτησης πολίτη)Union of Cyprus CommunitiesDistrict OfficerDistrict Administration Offices		N/A	
Key activities					
<ul style="list-style-type: none">Create long term rural area plans<ul style="list-style-type: none">Support and fund the creation of these long term plans by the central government, which should be developed in collaboration with community-level leaders and officials<ul style="list-style-type: none">Similar to Vision 2035 at the national level, visions can be developed tailored to specific rural areas while still aligning with the overarching goals and strategic objectivesSimilar Vision 2035, the rural area plans can go through a period of public consultation with the local community with a focus on in-person events versus online, if conditions of the pandemic allowPromote within-region partnerships between local officials and businesses and services and think “local first”.<ul style="list-style-type: none">Harness local entrepreneurship for long-lasting regional growth. Sourcing work from local businesses and service will promote and support growth in rural areas.<ul style="list-style-type: none">For example, governments can contract local engineers to support road and construction projects. On an even simpler level, government can contract local restaurants and eateries to cater events and conferences. The idea of this reform is to think ‘local first’ when considering community-level opportunities.					
Expected impact		Ease of implementation			
5		3			
Dependencies					
N/A					

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Ministry of Interior	Start	07/2024
Initiative ID: 195	Decentralise some government functions into rural areas and open up more Citizens Service Centres			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">High concentration of government services in urban centres means that information on initiatives and grant schemes often does not filter through to local communities in a timely and effective manner.Indeed, there are currently eight Citizen Services Centres in Cyprus, mostly locations in urban areas such as Limassol, Nicosia and Famagusta<ul style="list-style-type: none">Their aim is to improve the structure and operation of public service administration. They offer citizens access to several services on behalf of departments such as Road Transport, Social Insurance and the Ministry of HealthCyprus must also consider the integration of its migrant population with local communities. Cyprus has high rates of immigration in 2018, there were 27 migrants per 1,000 inhabitants (or almost 23,500 people). However, activities to promote integration and social cohesion within the country’s migrant population are still limited, and welfare outcomes of migrants can still be improved:<ul style="list-style-type: none">13.5% of foreign nationals above the age of 18 suffered severe material deprivation in 2019 compared to the 9.2% EU27 average and the lowest rate in the EU of 2.5% in Malta		<ul style="list-style-type: none">Citizen's CommissionerUnion of Cyprus CommunitiesCitizens Services Centres (Κέντρα εξυπηρέτησης πολίτη)Citizens Centers (ΚΕ.ΠΟ)		N/A	
Key activities					
<ul style="list-style-type: none">Built more Centres in rural areas in order to simplify government procedures for rural communities.Expand remote options that are still viable for areas with limited access to internet for example postal and telephone helplines to further support the accessibility of government servicesOffer available information in brochures or pamphlets in other common languages to aid migrant workers and families.					
Expected impact	4	Ease of implementation	2	Dependencies	
				4	

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Ministry of Interior	Start	07/2024
Initiative ID: 196	Establish network style forums in rural areas to give centralized social/political support to village residents			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Community-led forums are an effective way for local leadership to communicate with constituents, receive updates on local-level issues and encourage participation in democracy		<ul style="list-style-type: none">Union of Cyprus CommunitiesUnion of Cyprus Municipalities			
Key activities		<ul style="list-style-type: none">Appoint 1-2 members per rural area to conduct support-style ‘town hall events’ or personal/individual sessions on a recurring basis to collect complaints and/or areas requiring public attention<ul style="list-style-type: none">This could be personal matters such as domestic abuse, or public matters such as increased police presence in the villageThe representative should aggregate issues and raise them to the Ministry of Interior for actioning			
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Ministry of Interior	Start	01/2022
Initiative ID: 197	Implement master planning in rural and urban areas			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> Master planning is dynamic, long-term planning that takes into account the connections between different buildings, amenities and the wider urban environment. The plan should be a document which lays out, for a specific rural area, recommended locations and specifications for infrastructure projects (roads, transport links), community facilities (schools, parks) and other uses of land. In addition, it should set standards for construction practices and environmental protections. Master planning should be joined up with the wider goals of inclusion and sustainability, and be consistent with the goals of other initiative areas of Vision 2035. As per the World Bank a master planning process can involve and address the following: <ul style="list-style-type: none"> Master planning can involve: <ul style="list-style-type: none"> A comprehensive assessment of current land use and possibilities for zoning Developing an implementation and action plan – Defining public, semi private and private spaces and amenities and their mix of uses Engaging the local community Key questions that the plan could seek to address are: <ul style="list-style-type: none"> How should the use of space reflect changes in demography and economic activities? How should local projects be funded and who will be responsible for implementation? 		<ul style="list-style-type: none"> Union of Cyprus Communities Union of Cyprus Municipalities Ministry of Agriculture, Rural Development and Environment Ministry of Transport, Communications and Works Ministry of Energy, Commerce and Industry 		N/A	
Key activities				Budget	TBD
<ul style="list-style-type: none"> Implement master planning in rural and urban areas to regenerate rural areas and urban areas alike, improving overall liveability and revitalising the local economy. Locate similar amenities and buildings together e.g. in a high street or commercial district in order to help small areas utilise economies of scale. Seek to address economic disparities between places by enabling rural areas to make the best use of their unique advantages. Set up plans for the medium or long term, i.e. 5 to 10 years, but should be revisited regularly and adjust flexibly to changes in demographics and sectors. <ul style="list-style-type: none"> For example, a flexible master plan would take into account the effects of COVID-19 on the retail and hospitality sectors, and consequently the traffic demand they can expect on roads when considering increased online deliveries. Implement master plans using sustainable and green construction techniques and where possible, existing resources should be used or recycled for reuse in lieu of acquiring new materials Build new infrastructure, such as restaurants and schools in rural areas to support the regeneration of rural areas and grow the rural economy Master planning can, and should, be used to highlight broader aspects of rural areas that can be built up without damaging the natural landscape and heritage. 				Funding source	
				Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised.	
				Case studies	
				<ul style="list-style-type: none"> Barcelona:1992 Barcelona Olympics (Appendix 4.2) 	
				Dependencies	
				4	
Expected impact	5	Ease of implementation	3		

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Ministry of Interior	Start	01/2023	Indicative links to other national plans / strategies / studies <ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) : Component 3.1, Investment 8, page 234Cyprus Recovery and Resilience Plan (RRP) : Component 4.1, Investment 1, page 407Cyprus Recovery and Resilience Plan (RRP) : Component 3.3, Reform 2, page 299National Strategy for the Development of Mountainous Areas and National Tourism Strategy 2030
Initiative ID: 198	Support the revival of rural communities by offering financial incentives for businesses to open up in rural areas			End	12/2024	
Context		Indicative contributing stakeholders				
<ul style="list-style-type: none">To truly support the revival of rural communities, the government needs to provide financial incentives to attract businesses and workers back to rural communities. This includes anything from shop owners, to local professional services companies, to construction companies.The goal is to improve overall livability in rural areas by expanding the offering of amenities – gyms, theatres, live music event halls, etc. To attract further activity, top talent and innovation in these areas, the holistic experience of living must be improved – while still considering the authenticity and culture of the community.		<ul style="list-style-type: none">Ministry of Agriculture, Rural Development and EnvironmentMinistry of FinanceMinistry of Transport, Communications and WorksMinistry of Energy, Commerce and IndustryDeputy Ministry of Research, Innovation and Digital PolicyUnion of Cyprus CommunitiesHuman Resource Development Authority				
Key activities						
<ul style="list-style-type: none">Provide financial incentives to attract businesses and workers back to rural communities. Support incentives can include the following:<ul style="list-style-type: none">Invest in infrastructure such as improving the road quality, transport connections and internet broadband that will have long term impacts on business efficiency.<ul style="list-style-type: none">➤ These investments improve the overall attractiveness of an area potentially attracting more residents and widening the customer base for businesses.➤ Highlighting ongoing investments in infrastructure can therefore incentivise businesses to set up shop in anticipation of future growth.➤ In particular, Cyprus’s rural economy would benefit from better road and highway connections to the island’s urban centres.Provide subsidised or fully-funded training to upskill local employees to incentivise businesses to open up in rural areas and overcome disparities in skills that is a driver of regional productivity differences<ul style="list-style-type: none">➤ The training can be employer-led, courses taught by one of Cyprus’s vocational or technical schools or online training provided by independent providers.Provide fast-tracked processes for establishing a new business in order to attract more businesses to rural areas<ul style="list-style-type: none">➤ This could lower bureaucratic hurdles that may prevent firms from setting up businesses in more remote municipalities.Invest in network connectivity in rural areas to ensure that these areas remain attractive to businesses and their requisite workforce<ul style="list-style-type: none">➤ Digital infrastructure is becoming increasingly important for businesses across all sectors of the economy.➤ Broadband access is integral for citizens’ ability to engage in a country’s cultural and community life.						
Expected impact	4	Ease of implementation	3	Budget		
				TBD		
				Funding source		
				Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised		
				Case studies		
				<ul style="list-style-type: none">Barcelona:1992 Barcelona Olympics (Appendix 4.2)		
				Dependencies		
				60		

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Ministry of Education, culture, Sport and Youth	Start	01/2028
Initiative ID: 199	Incentivise teachers to teach in rural areas			End	06/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Under Cyprus's centralised system, the Ministry for Education allocates teachers to schools, with no teacher being allowed to stay for more than six years in one primary institution, or more than eight years in a secondary school.As with most public services in Cyprus, length of service is the key metric of merit, which determine preferences for transfers. This leaves remote or disadvantaged schools, as the least preferred, with novice and potentially inexperienced teachers.Research from the OECD confirms the importance of experienced teachers for student outcomes, as well as showing that schools with more autonomy in selecting teachers tend to see the greatest improvements in student outcomes.In light of the above, central government should offer incentives to teachers as mentioned below to key activities. However, the provision of these incentives should be linked to conditions around successfully improving the academic performance of the rural school the teacher is allocated to.		<ul style="list-style-type: none">Public Administration and Personnel DepartmentMinistry of InteriorMinistry of FinanceUnion of Cyprus Communities		N/A	
Key activities					
<ul style="list-style-type: none">Offer incentives to teachers for them to come and teach in rural areas. These incentives can include:<ul style="list-style-type: none">Appraisal<ul style="list-style-type: none">Formally acknowledge periods spent teaching in rural educational institutions in teachers' appraisal and promotions processesThese could then be used as a basis for accelerated promotion or pay bonuses.Housing assistance<ul style="list-style-type: none">Support teachers by providing housing assistance, with a dedicated rental agent for teachers. Finding and affording housing can be a large stressor for teachers who have to move to a new areaProvide temporary housing if needed as well on a subsidised basisRelocation allowance<ul style="list-style-type: none">Assist teachers in the actual act of moving by supplying a relocation allowance.Cover the cost of packaging and shipping of household goods, as well as the services of a moving company.Tours and short-term volunteer experiences in rural areas<ul style="list-style-type: none">Offer day or weekend trips to teachers with the prospect to get to know the rural area communities as adapting to new, unfamiliar surroundings can be a daunting taskTours should be targeted specifically towards teachers and touch on important location, e.g. schools, libraries and community centres.Advertise short-term volunteer experiences in rural areas to teachers, e.g. teaching after school courses or facilitating sports events					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	149

Initiative Area	Establish a future of shared prosperity by levelling up regions and regenerating rural economies	Owner	Statistical Service of Cyprus	Start	01/2022
Initiative ID: 200	Create a Liveability Index			End	06/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> The Liveability Index should be a balanced metric using a range of welfare indicators that go beyond narrow economic measures, for example: <ul style="list-style-type: none"> Health outcomes in the local population Educational outcomes and skills Self-reported happiness. Constructing a Liveability Index would have a number of benefits: <ul style="list-style-type: none"> Attract people to move to rural areas <p>A key benefit of this report would be to attract people to move to rural areas by highlighting strengths across different aspects of liveability. A consistent record which allows comparison across cities will empower people to make informed decisions around moving to rural areas and help to eliminate potentially negative stereotypes about living in non-urban locations.</p> <ul style="list-style-type: none"> Help governments target reforms and allocate funding <p>The benefit above will mostly apply to the areas that are already performing relatively well on livability measures. This data can be also be used to prop up areas that are lagging behind, by giving the government better oversight of the current state of different rural communities and allowing them to prioritise and allocate resources more efficiently and according to need. Liveability indices cover a wide range of indicators, and so can be used to support decisions around various government initiatives, including funding for schools and infrastructure, healthcare and environmental protections e.g. air quality.</p> <ul style="list-style-type: none"> Incentivise rural areas to improve upon key metrics <p>Publishing an annual ranking can motivate rural areas, both top- and bottom-performing. Areas that are ranked highly will strive to maintain their position, while areas that are ranked low will be spurred on to improve their performance. Being data-driven, the rankings will allow leadership of rural areas to identify the indicators on which they are performing comparatively poorly – again enabling targeted intervention.</p>		<ul style="list-style-type: none"> Ministry of Interior Deputy Ministry of Research, Innovation and Digital Policy 		N/A	
Key activities				Budget	
<ul style="list-style-type: none"> Encourage the Statistical Service to expand its provision of data. Improve collection of regional statistics, first at the district level, and subsequently at a more disaggregated level of detail. Empower efforts for Cyprus to improve its production of more granular and timely statistics. Collect more regular household income surveys, alongside wider quality of life data. Improve ease of access by collating relevant data under a liveability theme. Compile and analyse data that can be used to write an annual report on liveability assessments, similar to the UK Quality of Life Survey (Halifax) or the Global Liveability Index (The Economist Intelligence Unit) 				TBD	
Expected impact		Ease of implementation		Funding source	
1		4		TBD	
				Case studies	
				<ul style="list-style-type: none"> Liveability Indices: Halifax Quality of Life Survey & The Economist Global Liveability Index (Appendix 4.2) 	
				Dependencies	
				31	

Initiative Area	Support the integration of migrants to better achieve social cohesion	Owner	Civil Registry and Migration Department	Start	07/2025
Initiative ID: 201	Improve the provision of targeted education support and outreach activities			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has one of the highest rates of both immigration and emigration into and out of the economy, second only to Malta. In 2018, there were 27 immigrants per 1,000 inhabitants (or almost 23,500 people).Many of the foreign residents in Cyprus originate from countries, such as Romania, Bulgaria and the Philippines, that do not speak the native languages of the country.Adjusting to a new learning environment is especially challenging for children of immigrant families. Cyprus needs to design outreach policies and teaching support for migrant students to help them successfully integrate into Cyprus’s education system. This will prevent underachievement among migrants.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyMinistry of Labour, Welfare and Social InsuranceCyprus Pedagogical InstituteCommissioner for Administration and Protection of Human Rights		N/A	
Key activities					
<ul style="list-style-type: none">Support children of migrant families by offering integration courses and additional parent/teacher liaison<ul style="list-style-type: none">Support can be given in the form of:<ul style="list-style-type: none">separate integration courses (culture and language) with small class sizes,additional parent/teacher communication to support development at home,guidance counsellors trained in integrating migrants.Prioritise policy guidance in post-secondary education, as the proportion of recently arrived refugees is skewed towards the latter stages of education (e.g. those aged 18-34 accounted for 62% of new arrivals in 2018)Subsidise Greek language courses for adult migrants<ul style="list-style-type: none">Offer or subsidise language courses for adult migrants that will help them integrate better into local communities and workplace.Schedule courses at times suitable for working adults, and host them in familiar and comfortable locations, such as places of worship or local communal areasFocus on digital skills<ul style="list-style-type: none">Offer targeted training to migrants to improve digital literacy – not only from the perspective of improving job opportunities but also to improve their integration with government services and the community.Run courses which teach migrants how to use various online services, e.g. how to find bus schedules online, how to file government forms online, etc.Foster community-led outreach to integrate migrant communities<ul style="list-style-type: none">Draw on the local network of NGOs to deliver grassroots initiatives for connecting the local community and migrants e.g. culture-sharing events, local job fairs and language courses.Encourage this initiative by providing funding and promoting collaboration between local communities and NGOs.Government and NGOs should make use of the wealth of existing resources from international organisations, e.g. UN Habitat’s Gateway to existing ideas, resources and capacities for local inclusion of migrants and refugees in cities around the world.					
Expected impact	4	Ease of implementation	4	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Support the integration of migrants to better achieve social cohesion	Owner	Civil Registry and Migration Department	Start	01/2024
Initiative ID: 202	Improve migrants’ access to public services and boost awareness of rights			End	06/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Limited access to information due to language and cultural barriers, coupled with the marginalization of migrant communities, place them amongst the hardest to reach populations when information is disseminated.The Government should promote social integration and inclusion by providing migrants with easy access to key local contacts and information regarding employment rights, healthcare rights, job openings, housing opportunities etc.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceDeputy Ministry of Social WelfareCommissioner for Administration and Protection of Human RightsCyprus Refugee CouncilAssociation of Recognized RefugeesHuman Resource Development Authority		N/A	
Key activities					
<ul style="list-style-type: none">Break down linguistic barriers in access to public services.<ul style="list-style-type: none">Provide public service forms and literature in common languages spoken by migrants (Arabic, English, etc.).Signage in key public service locations (e.g. post offices, government bureaus, embassies) should also be accompanied by translations or translated.Set up a Work in Cyprus website.<p>This website should disseminate information around employment rights, healthcare rights, job openings, housing opportunities, etc. The main purpose of this website is to empower migrants to make informed decisions about moving to Cyprus, and to equip them with key local contacts. The website will also be a key asset for migrants already working in Cyprus, providing a centralised location for information on their rights as international employees</p>					
Expected impact	4	Ease of implementation	5	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Support the integration of migrants to better achieve social cohesion	Owner	Ministry of Interior	Start	01/2025
Initiative ID: 203	Improve provision of affordable housing, and for migrants and other vulnerable groups			End	06/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">As well as being a fundamental human right, safe, secure and affordable housing plays a critical role in determining overall health and well-being and provides a base from which people can seek employment, re-establish family relationships and make connections with the wider community.Government should promote social integration and inclusion by ensuring that migrants and other vulnerable social groups have access to and obtain long-term, safe, secure and affordable housing.		<ul style="list-style-type: none">Ministry of Labour, Welfare and Social InsuranceDeputy Ministry of Social WelfareCommissioner for Administration and Protection of Human RightsCyprus Refugee CouncilAssociation of Recognized Refugees			
Key activities					
<ul style="list-style-type: none">Review public funds for housing of the youth, students, and the disabled, and collaborate with landlords/property managers to supply bespoke solutions for specific housing needs.Consider future supply and demand, in tandem with other policy reforms. For example, if Cyprus wants to encourage international students to study on the Island, housing provision must sufficient and affordable.Avoid segregation or placing in isolated locations affordable housing designate for migrants in order to avoid ghettos. Affordable housing should be offered in various locations to encourage integration and culture sharing.				Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A
Expected impact		4	Ease of implementation	5	

Additional case studies

With a world class education system

With an excellent and accessible
healthcare system

Adheres to the rule of law and combats
corruption

Which promotes liveability, equal access
and opportunities for all



Case study: UK

Enabling flexible working in Transport for London (TfL)

Transport for London updated its flexible working policies in 2014, 2015 and 2018. These updates to their 'Smart Working Policy' have led to a good level of uptake of flexible working arrangements throughout TfL. The Policy encourages employees across the organisation to work flexibly where appropriate. Types of flexible working commonly adopted at TfL include working from home, job shares, reduced hours and condensed hours, among others. There are also possibilities for other temporary forms of flexibility, such as career breaks.

Impacts of flexible working

- Improved mental health and well-being – flexible working gives workers more time for out-of-work responsibilities, whether that's hobbies, caring duties or spending time with friends and family.
- Returners – flexible working makes easier the transition back into the labour market for those who have previously left employment, e.g. mothers and fathers.
- Efficient timekeeping – flexible working encourages workers to manage their time carefully and pro-actively, as they may have different schedules to their co-workers
- Team dynamics – flexible working encourages teams to trust each other to manage workload and work output
- Productivity – flexible workers often go beyond the call of duty, because they are afforded the trust and benefits of flexible working by their employer
- Retention – flexible working enables people to work better over the time of their career. Staff retention also offers a significant financial gain, as it allows the organisation to avoid hiring and severance costs

Challenges faced

- Increased pressure – for some, flexible working can increase pressure on the individual, e.g. pressure to get more done in one day as there is a blurrier separation between work and home. It is important for workers with flexible arrangements to keep open communication with their line manager and team in order to manage workload efficiently.
- Difficult to implement in operational roles – in roles where flexible arrangements can result in more demanding work loads, managers must take on the responsibility to manage employee expectations and hold a transparent discussion around whether flexible working is right for that person
- Lack of resources – the Smart Working Policy assumes that workers have the sufficient technology at home (e.g. monitor screens, fast broadband connections) in order to work remotely. However, this is not always true – and workers may sometimes have to spend out of pocket to purchase additional equipment that is otherwise offered in the office.

Enablers of flexible working success

- Gain senior and line manager buy-in – this can be done, for example, by highlighting positive outcomes and benefits of flexible working, improving knowledge around flexible working and how it has worked in other organisations, and the financial benefit which comes from being able to hire more talent for the same pay (i.e. 2 part-time roles for the same cost as 1 full time role).
- Give additional support to roles which are trickier to adapt to flexible working – there tends to be less support for flexible arrangements for workers in operational roles, as senior management will see that contact time/office time is necessary to deliver customer service. Indeed, managers in the operational side of TfL felt that they were less supported by colleagues to take on flexible working arrangements. More support should be given to workers in these roles, e.g. further guidance from HR to make flexible working possible and easier to implement.
- Make use of collaboration and networks – the successful implementation of flexible working depends on collaboration and networks in the business.
- Highlight the employee-line manager relationship – this was marked by interviewees from TfL as a key enabler of flexible working's success. There has to be a level of maturity, understanding and trust between a manager and employee. When working remotely, managers are not able to monitor when and how their employees are working and instead must trust that their employees are working in accordance to deliver results and meet targets.
- Use technology – TfL allows flexible workers to join meetings using conference calling. This promotes inclusivity across the team.

Source: CIPD UK, *Enabling Flexible Working: Cross-sector case studies and practice highlights*, 2019.

3.3.13

Thriving and resilient economy

Tertiary education

Tourism

Agriculture

Manufacturing

We have evaluated and mapped all initiatives under the “**tertiary education**” sector against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**tertiary education**” sector. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2025
Initiative ID: 204	Forge greater collaboration between universities and the private sector			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The government should accelerate progress on the new Research & Investment Strategy Framework for 2019-2023, which was announced by the National Board for Research and Innovation in May 2019. The new strategy needs to be underpinned by greater private sector collaboration.One key planned measure is the creation of clusters of excellence to gather universities and businesses within environmental science, agritech, maritime, health and ICT. Investment in these should be accelerated, with the view for these centres to bring universities and businesses together to co-design research agendas.The creation of sector councils, as discussed in ID138, should be a key vehicle for driving greater collaboration between universities and the private sector. They will be industry-led and involve regular meetings and seminars to discuss challenges and design research agendas.		<ul style="list-style-type: none">National Board for Research and InnovationResearch and Innovation FoundationSector-specific skills councils (to be developed under ID138)Ministry of Education and CultureEmployers’ representatives (e.g. the Cyprus Employers & Industrialists Federation (OEB), the Cyprus Chamber of Commerce and Industry etc (KEBE))Cyprus Rectors’ ConferenceStudent Unions		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2, Reform 3, page 281Strategy for Attracting Businesses 2022-2024	
Key activities					
<ul style="list-style-type: none">Explore the potential for establishing corporate laboratories to help connect with businesses - consider the Singapore model (case study on the right). These drive the development of relevant research and skills, create career opportunities, and boost the profile and reputation of universities. Making the results of research visible will be key to driving more collaboration and attracting more students and researchers to Cyprus.Consider hosting a series of seminars or ‘research fairs’ where universities and businesses can discuss new research.Create sandwich programmes, which offer students the chance to undertake work placements as part of their degree. Identifying these should be a key role of the sector councils.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Singapore: Public-private partnerships with Singapore Corporate Laboratories (Appendix 4.2)
				Dependencies	138, 205 & 206

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Cyprus Rectors' Conference	Start	01/2025
Initiative ID: 205	Forge greater collaboration between universities			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">To truly drive R&D across the tertiary education sector, greater scale is needed. Cyprus has a high number of universities given its size and population. Greater scale would provide universities with the infrastructure to engage in more R&D. It would promote knowledge and technology sharing, which will boost innovation. This can be achieved through national and international collaborations.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthMinistry of Finance			
Key activities					
<ul style="list-style-type: none">Promote national collaboration between universities, to increase knowledge and technology sharing which will boost innovation:<ul style="list-style-type: none">Collaborating on joint programmes and courses.Creating shared spaces, like centres of excellence, which bring universities together.Tier financial incentives by university size to encourage mergers.Promote collaboration with international universities:<ul style="list-style-type: none">We understand that the Cyprus Rectors Conference has been established with representation from members of key universities. The Cyprus Rectors' Conference should consider undertaking 'business development' needs including:<ul style="list-style-type: none">➤ Creating partnerships with international credible universities.➤ Designing joint degrees and/or Satellite Campuses for Cypriot students to be on a rotation abroad for a semester and to bring foreign students to Cyprus for a semester.➤ Leveraging Cyprus's lower cost of living and proximity/geography to attract students instead of going to the partner Uni in the UK, US, or EU.➤ Encouraging Cypriot academics early on in their career to go abroad to international universities to collaborate on new research projects.					
Expected impact		Ease of implementation		Dependencies	
2		3		206	

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Cyprus Rectors' Conference	Start	01/2026
Initiative ID: 206	Invest in the infrastructure to support collaboration and clustering			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are a number of infrastructure investments required to provide the foundation for collaboration between universities and between universities and the private sector. These infrastructure investments, as described in key activities below, aim to enable and promote clustering.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthMinistry of HealthEmployers' representatives (e.g. the Cyprus Employers & Industrialists Federation, the Cyprus Chamber of Commerce and Industry etc.)		N/A	
Key activities					
<ul style="list-style-type: none">Create shared spaces: Physical spaces like technology parks or centres of excellence in certain sectors/fields of study are crucial for clustering and collaboration. Collaboration on research agendas will provide Cypriot universities with the scale to go further. They are also key to bringing universities together with businesses and collaborating on relevant research and innovation.Create a Teaching Hospital: A hospital focused on training medical students would not only help to improve the quality and international standing of Cyprus's medical departments, but it would also underpin efforts to improve the country's health sector (including medical tourism) by bringing experts together and also bringing more R&D into hospitals. It would also provide a base for teachers and students to come together from different universities and share resources and knowledge.					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Cyprus Agency of Quality Assurance and Accreditation in Higher Education (CYQAAA)	Start	01/2026	Indicative links to other national plans / strategies / studies
Initiative ID: 207	Drive teaching quality to be internationally comparable			End	05/2027	
Context		Indicative contributing stakeholders		Budget		
<ul style="list-style-type: none">In 2015, the Cyprus Agency of Quality Assurance and Accreditation in Higher Education (CYQAAA) was established on the basis of the 'Quality Assurance and Accreditation of Higher Education and the Establishment and Operation of an Agency on Related Matters Law of 2015.'The legislation provides a quality assurance framework for higher education in Cyprus within which higher education institutions will be driven to enhance quality and develop an internal quality culture.The CYQAA is responsible for ensuring the quality of higher education in Cyprus and for supporting the continuous improvement and upgrading of higher education institutions (HEIs) and their programs of study through the procedures provided by the relevant legislation.Its assessments are compliant with the European Standards and Guidelines and relevant national legislation.It conducts external evaluations on a six-month basis and collection and analysis of feedback from higher education institutions, members of external evaluation committees, student associations, faculty associations, professional associations and the Ministry of Education.Policymakers could do more to incentivise teaching quality, using the evaluations by the CYQAAA, which are based on European Standards and Guidelines.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthMinistry of FinanceTeachers' UnionsParents' UnionsInspectors' UnionsCyprus Rectors' Conference		TBD		
Key activities				Funding source		
<ul style="list-style-type: none">Alter the mandate of quality assurance body – another key objective should be ensuring that Cyprus's tertiary education sector is internationally competitive.Improve credibility with international experts, for example from equivalent regulators in other countries. This could be in the form of hiring them or having them on the Board that sets the evaluation criteria.Set targets for state universities against the KPIs and measures outlined in the European Standards and Guidelines. To then create incentives for improvement, progress against targets could be tied to financial incentives, such as R&D funding or tax breaks.Conduct and publish benchmarking of Cypriot universities against EU universities. As the same evaluation framework is used, comparisons and benchmarking is possible and should be used to incentivise improvements towards the EU frontier.Translate reports into English. Quality Annual Reports and Common Assessment Framework should be published in English, making results more accessible and enabling international students to use them to inform their decisions.Achieve greater gender diversity in the External Evaluation Committee – in the latest available data, only 17% of members were female. A more even gender split is required to ensure evaluations are robust and inclusive.				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.		
				Case studies		
				<ul style="list-style-type: none">UK: Assessing higher education teaching quality in the UK (Appendix 4.2)		
				Dependencies		
				N/A		
Expected impact		Ease of implementation				
3		4				

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education, Culture, Sport and Youth	Start	04/2027
Initiative ID: 208	Create a Cyprus University Index			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In 2015, the Cyprus Agency of Quality Assurance and Accreditation in Higher Education (CYQAAA) was established on the basis of the 'Quality Assurance and Accreditation of Higher Education and the Establishment and Operation of an Agency on Related Matters Law of 2015.'The legislation provides a quality assurance framework for higher education in Cyprus within which higher education institutions will be driven to enhance quality and develop an internal quality culture.The CYQAA is responsible for ensuring the quality of higher education in Cyprus and for supporting the continuous improvement and upgrading of higher education institutions (HEIs) and their programs of study through the procedures provided by the relevant legislation.Its assessments are compliant with the European Standards and Guidelines and relevant national legislation.It conducts external evaluations on a six-month basis and collection and analysis of feedback from higher education institutions, members of external evaluation committees, student associations, faculty associations, professional associations and the Ministry of Education.Scoring and ranking Cyprus' universities using the evaluations by the CYQAAA will incentivise the universities to strive for better and invest in improvements, as well as establishing a set of standards to strive towards. It will also help prospective students compare the universities and make a more informed decision.		<ul style="list-style-type: none">Inspectors' UnionsCyprus Agency of Quality Assurance and Accreditation in Higher Education (CYQAAA)Cyprus' Rectors' Conference		N/A	
Key activities				Budget	
<ul style="list-style-type: none">Create a Cyprus University Index to score and rank each of the country's eight universities, using the data from the evaluations of the CYQAAA, on aspects such as teaching quality, research and innovation, and student experience, and rank each one. The index should form part of the "Study in Cyprus" website and the country's national marketing campaign, focusing on the top three as an additional incentive to do better.Actively encourage the country's other six universities not on the Times Global Rankings, to strive to do so.				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				207	
Expected impact		Ease of implementation			
2		4			

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education, Culture, Sport and Youth	Start	07/2027
Initiative ID: 209	Implement annual performance appraisals for academic staff at state universities			End	06/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Currently, the performance evaluation of teachers and academics at state universities is not tied to promotions. Tying performance evaluations to the promotion cycle is crucial to underpin any efforts to improve the quality of teaching.Currently, the legislation specifies grades and promotions based on seniority. This needs to be amended to allow universities autonomy to assess staff on the basis of merit.This will create incentives for teachers to go above and beyond, for example, modernising teaching, developing online courses and resources, or adult education.		<ul style="list-style-type: none">Public Administration and Personnel Department (PAPD)Ministry of FinanceCyprus Rectors' ConferenceUniversity Councils		N/A	
Key activities					
<ul style="list-style-type: none">Implement annual performance appraisals for academic staff at state universities based on merit.<ul style="list-style-type: none">Amend the legislation that specifies grades and promotions are based on seniority, to allow universities autonomy to assess staff on the basis of merit.Base outcomes and standards on leading international appraisal frameworks, such as the UK to ensure standards are internationally comparable.Use additional positive incentives for example monetary incentives in the form of annual performance bonuses, or recognition awards. Awards could be on a national basis across the universities, to provide additional competitive incentives.					
Expected impact	3	Ease of implementation	2	Budget	
				TBD	
				Funding source	
				National Budget	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2026
Initiative ID: 210	Develop a national strategy to develop Cyprus as an international tertiary education destination			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> To achieve Vision 2035, there is a growing need to deliver workers to high-value sectors, such as engineering and technology. With a relatively small domestic workforce that has traditionally been service-orientated, foreign students offer one solution to bolster the country's supply of highly skilled workers. The tertiary education sector also offers the potential for Cyprus to underpin economic activity in key sectors by specialising in such learning as shipping and tourism. Cyprus has a number of competitive advantages to attract the growing market of international students, including its climate, culture and society. But it needs to identify the most appropriate kind of university sector it wants to develop, what the target market is, and the necessary steps required to develop and promote it. Many different institutional archetypes for success exist in the higher education and international student market. These include: <ul style="list-style-type: none"> Niche research institutes who are world best in key disciplines and lined to industry hubs Elite comprehensive universities which are interdisciplinary Student experience focused institutions, Scalable digital universities which provide flexible learning platforms and online support Professional learning institutes which focus on career advancement value and strong ties with industry. Cyprus currently exhibits strengths across these but should consider its potential to develop its digital offering, as well as its reputation as a leading R&D hub in the world a number of niche areas, such as renewable energy, e-health and e-government. 		<ul style="list-style-type: none"> Cyprus Rectors' Conference Employers' representatives (e.g. the Cyprus Employers & Industrialists Federation,the Cyprus Chamber of Commerce and Industry etc.) Sector-specific skills councils (to be developed under ID138) 		N/A	
Key activities				Budget	
<ul style="list-style-type: none"> Develop a national strategy to develop Cyprus as an international tertiary education destination. The aim of the strategy should be to align the position of the country's universities and the private sector and create a medium to long-term roadmap that all relevant stakeholders support and are committed to investing in while also supporting the needs and wants of the local Cypriot economy. <ul style="list-style-type: none"> This strategy document should at least touch on the following points: <ul style="list-style-type: none"> Model: What kind of university model does Cyprus want to adopt? Fit with local economy: How does the choice of university model serve the country's national objectives as well as business needs? Market: Analysis of target countries based on skills gaps, demographics, proximity etc. Funding: Is the current funding model sustainable for both domestic and EU students as well as third country students? Quality: How to establish a Teaching Quality System? Subjects and specialisms: Does Cyprus want to be known for certain areas of study? Can this form part of a competitive advantage? Other issues including: Immigration policy, Credit transfer system, ancillary services and medium of instruction, delivery of courses online and appetite for this. 				TBD	
				Funding source	
				Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
				Case studies	
				N/A	
				Dependencies	
				138 & 211	
Expected impact	4	Ease of implementation	5		

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education, Culture, Sport and Youth	Start	07/2028
Initiative ID: 211	Run an annual international student survey			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus has a relatively short history in tertiary education and, to date, has done relatively well to achieve such high rates of domestic enrolment in universities and to have two of eight universities in the top global 500 rankings.However, there are several factors which currently limit the sector’s potential and constrain progress. Perhaps the most structural issue is the overall quality of the country’s entire education system and the need to modernise and revamp teaching methods, teaching quality and the skills it is orientated towards. Currently, Cyprus’s two universities which feature on the global rankings are scored relatively poorly on teaching quality measures.Cyprus’s tertiary education sector lags behind in developing graduates trained in STEM – with the second lowest enrolment in STEM subjects in the EU, at 10 graduates per 1,000 inhabitants.Other hurdles include improving air connectivity, modernising teaching and visa systems, delivering courses in English and increasing liveability (social and environmental factors).There exists a relative lack of data on the demographics, characteristics and motivations of international students in Cyprus. To develop a truly effective national strategy (ID210), it is essential to understand what attracted international students to Cyprus, to enable marketing efforts to capitalise on this. Data on demographics, characteristics and motivations of international students in Cyprus would also allow for more targeted marketing campaigns and to identify target destination countries.		<ul style="list-style-type: none">Statistical Service of Cyprus		N/A	
Key activities				Budget	
<ul style="list-style-type: none">Run an annual international student survey to collect data on demographics, characteristics and motivations of international students in Cyprus.<ul style="list-style-type: none">The survey should aim to get details on where international students go post-graduation – what roles, what sectors and what countries. It should aim to ascertain the factors that would determine students remaining in Cyprus for work. It will also be critical to get more disaggregated data on the subjects and courses that international students are coming to Cyprus for, so an appropriate national strategy can be developed to target growth in high value subjects, for example engineering.				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	
Expected impact		Ease of implementation			
1		4			

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education, Culture, Sport and Youth	Start	07/2027
Initiative ID: 212	Modernise student entry requirements, visa requirements and application process			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are several features of Cyprus's visa and entry requirements that limit both demand and the quality of international students. There is a specific need to focus on boosting the quality of students from abroad and ensure Cyprus is attracting highly skilled students that will contribute to the growth of a high value economy and to Vision 2035.		<ul style="list-style-type: none">Civil Registry and Migration DepartmentMinistry of Labour, Welfare and Social Insurance			
Key activities					
<ul style="list-style-type: none">Streamline and digitalise the application process: A key feature of most top university destinations is a simple, quick and digitised visa process (i.e. Canada, New Zealand, Singapore). Cyprus should accelerate digitalisation in its visa application process as a priority to enable students to complete applications online.Set up a special office at the Civil Registry and Migration Department to manage the applications of universities on a priority basis with rigorous checks carried out.Target quality students: At the same time as improving accessibility and increasing demand for Cyprus universities, it is also important to ensure that the system is focused on boosting the quality of students, and not purely – or even necessarily – the quantity. Targeting students in certain fields that are key for Vision 2035 should be a fundamental feature of changes to the system.Consider the following changes to the nature of the visa:<ul style="list-style-type: none">Adjust post-graduation work rights according to the level of qualification, for example 6 months for a bachelor's degree, 12 months for a master's degree, 24 months for a PhD, and the field of study, for example 18 months for those undertaking a STEM degree and finding employment in a related role and in priority sectors under Vision 2035.Increase recognition of school qualifications from other countries, as opposed to requiring students to sit additional entrance exams for Cypriot universitiesAllow the option to fast-track a student who has remained in Cyprus post-graduation in a high-value occupation for a permanent work visa in Cyprus, for example if they have sponsorship from an employer.Introduce 'fast tracking for visas from students coming from countries identified as target countries outside of the EU.Explore the possibility of offering short visas, e.g. for three months, to students and researchers who wish to come to a Cypriot university for a short research programme, or to contribute to an R&D project in some capacity.Currently, the jobs that overseas students are permitted to undertake while studying are solely lower-skilled roles, such as cleaners and kitchen assistants. To attract higher skilled students, these requirements should be amended to emphasise employment in roles related to the student's field of study, for example lab assistants.Open applications for student visa and residence permits throughout the year, as opposed to only at the end of the summer with a one month window. This will provide the opportunity for universities to respond to interested students within reasonable time before the beginning of the studies, proportionate to other competitive countries.Improve transparency of the visa requirements and application process, by creating a world class website with all of the information in one place and a digital application process.Create an Alumni network of international students who have graduated from universities in Cyprus, keeping them connected to academia and businesses in Cyprus and creating new opportunities for them to stay and work in Cyprus.					
Expected impact		4	Ease of implementation		2

N/A
Budget
TBD
Funding source
TBD
Case studies
N/A
Dependencies
N/A

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education and Culture, Sport and Youth	Start	01/2027
Initiative ID: 213	Create a tertiary education sector fit for a modern world			End	06/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Hybrid learning combines online classes with in-person teaching. COVID-19 precautions may mean that, for now, packed lecture theatres are a thing of the past. Teaching that was previously run face-to-face can now be streamed online and shared with a larger audience. International and out-of-city students would no longer have to contend with high living costs or travel to obtain a degree, expanding the offer of tertiary education to a wider range of students.		<ul style="list-style-type: none">Ministry of FinanceCyprus Rectors' Conference			
Key activities					
<ul style="list-style-type: none">Adopt a more liberal approach to teaching programmes in English across public and private universities. This is essential to make them truly accessible to international students from around the world. Whilst it is already possible to access some degrees in Cyprus at different universities in English, it is still far from universal.<ul style="list-style-type: none">Tie financial incentives or tier them based on the share of courses delivered in English. This doesn't mean that local language course should be replaced – indeed it will be important to balance this against the demand from Greek students for teaching in Greek. Rather it means that Cyprus (and in particular, the University of Cyprus and the Cyprus Technology University) should follow the path of a significant number of European universities to offer more courses in English. This needs to be complemented by language lessons.Public Cypriot universities should allow admission of candidates with GCE O and A level qualifications which are internationally accepted.Encourage further investment in digitalisation and video conferencing technology. This will not only allow Cyprus's universities to expand their reach across the world, but also allows for a much more flexible study experience which helps to attract students.Universities should consider gaining a foothold in the market for standalone, instructor-led courses online (ranging from 4-8 weeks). These courses are usually short in length, ranging from 4-8 weeks and can be available to anyone anywhere. While the English market is saturated, Cyprus could gain a foothold in the market for courses in Greek by exploiting existing course material from its universities and adapting them for online learning. They would help increase visibility of Cyprus's university offerings while being relatively easier to implement than changes to full courses. Online courses is a key platform for adult education to support the upskilling agenda.					
Expected impact		3		Ease of implementation	
		3			
				Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Tertiary Education: Collaboration, clustering and scale	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2027
Initiative ID: 214	Develop a consolidated, real time portal that improves upon the existing “Study in Cyprus” campaign			End	06/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> There currently exists a relatively large information gap on studying abroad in Cyprus. At a first pass, this needs to be filled by improving the Study in Cyprus website. Compared to other countries, Cyprus does not have a coordinated 'one stop shop' for information on studying in Cyprus that encompasses information and courses across all of Cyprus's eight universities. The information brochure is relatively brief and could do much more to highlight the benefits and practical considerations. Greater detail, elaboration, links, and resources across the website are needed. By creating a modern, attractive website with more detailed information that coordinates the country’s offering across the eight universities will deliver the following benefits: <ul style="list-style-type: none"> Reduce the time and research costs to prospective students Begin to consolidate and coordinate international marketing efforts across the eight universities New generations of students have grown up with the internet and have come to expect high standards from the design and usability of websites. A university's website should reflect the quality and modernisation of the institution and the education provided. While the 'Study in Cyprus' website has a modern feel to it, it is lacking in detail, and the Department of Higher Education’s website is outdated and lacks usability. <p>These could also be linked with the Economic Diplomacy strategy that is currently being formed with the Ministry of Foreign Affairs.</p>		<ul style="list-style-type: none"> Department of Higher Education (Ministry of Education, Culture, Sport and Youth) Cyprus Investment Promotion Agency (CIPA) Ministry of Foreign Affairs 		<ul style="list-style-type: none"> Economic Diplomacy Strategy of Cyprus 	
Key activities				Budget	TBD
<ul style="list-style-type: none"> Develop a consolidated, real-time portal that improves upon the existing ‘Study in Cyprus’ campaign. Specifically, three main improvements should be made: <ul style="list-style-type: none"> Comprehensive portal of courses: to aid students in selecting a course, a portal that brings together all courses offered across the country’s eight universities must be developed. Comparable data on all universities for comparisons: currently the information provided on Cyprus's universities on the Ministry of Education website is incredibly varied, with different data points and details, making comparisons very difficult. There currently exists no specific information on the universities on Study in Cyprus. Detail and profiles of the universities in Cyprus, including the key strengths, specialisms and research agendas of the specific institutions would help to inform student choices. Up-to-date statistics on the tertiary education sector: currently, statistics on foreign student data, for example, is only available up to 2011. This lack of relevant information on the strength of the country’s international university experience is a potential barrier to attracting students. Testimonials and personal experiences: A page including testimonials and recounts of experiences from students who have or are currently studying in Cyprus would give more personal insight and speak more directly to prospective students, for example videos of student experiences. 				Funding source	TBD
				Case studies	<ul style="list-style-type: none"> Greece: Study in Greece (Appendix 4.2)
				Dependencies	N/A
Expected impact	2	Ease of implementation	4		

3.3.14

Thriving and resilient economy

Tertiary education

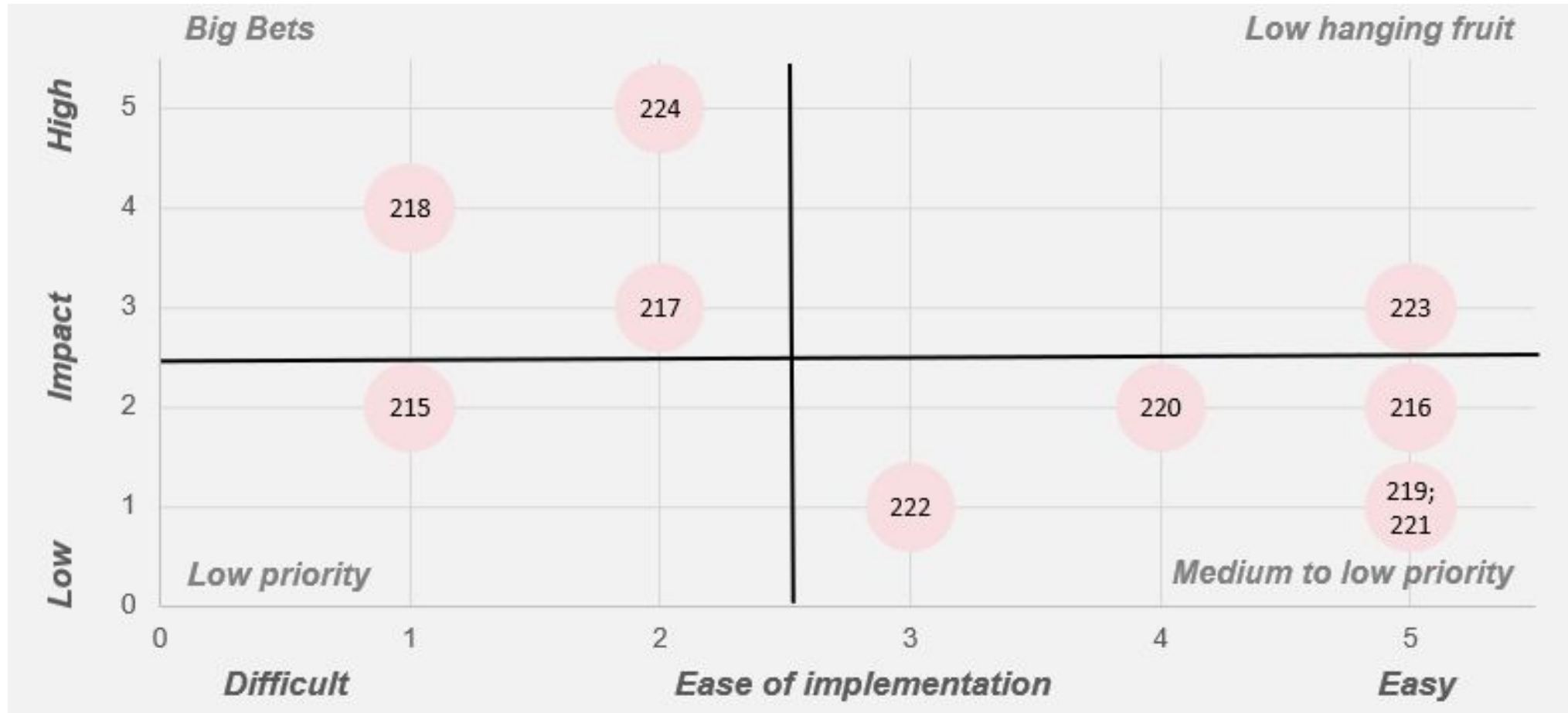
Tourism

Agriculture

Manufacturing

We have evaluated and mapped all initiatives under the “tourism” sector against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “tourism” sector. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Tourism: Diversify the sector to increase resilience and capitalise on growing niches	Owner	Ministry of Interior	Start	01/2025
Initiative ID: 215	Prioritise procedures for joining the Schengen area			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus received around 4 million tourists in 2019, spending €2.7 billion.As one of the most important sectors, Cyprus must ensure its offering and tourism model keeps pace with changing demand, competition and external factors. There is an urgent need to diversify the sector.While the number of tourism numbers has continued to grow, growth in international tourism revenue has been stagnant, driven by a decline in the average expenditure per person/trip.Low profitability in the sector is an obstacle to investment to upgrade ageing infrastructure and innovate, thereby reducing the sustainability of the sector.It is important to encourage and sustain domestic tourism especially during off-season periods and international economic and other crises such as the one arising due to covid-19.The Schengen area refers to the EU passport-free zone that covers most European countries and is the largest free travel area in the world. The Schengen visa is the most common visa for Europe. It enables its holder to enter, freely travel within, and leave the Schengen zone from any of the Schengen member countries. There are no border controls within the Schengen Zone.Cyprus formally started the process of joining the Schengen area in 2019. Since then, Cyprus has reached the third of five phases of the EU's evaluation process, which assesses prospective Schengen members along criteria such as external borders, visa policy, data protection, police cooperation, judicial cooperation in criminal matters, and the absence of border controls at internal borders.However, Cyprus remains the only EU member state where the Schengen Information System (SIS) is not operational. The SIS is the most widely used and largest information sharing system for security and border management in Europe. It enables border authorities and police forces to enter and consult alerts related to criminals, missing persons, and stolen goods. Connecting to SIS would be a transformational for the Cypriot police and border forces in their investigation of cross-border crime.		<ul style="list-style-type: none">Ministry of Foreign AffairsDeputy Ministry of Tourism		N/A	
Key activities				Budget	
<ul style="list-style-type: none">Prioritise procedures for joining the Schengen area and in particular for connection to the SIS, including:<ul style="list-style-type: none">Providing the resources and financial support to build and test the IT infrastructure needed to connect to SIS.Invest in the training of a dedicated SIS task force in both the border control force and police force.				TBD	
Expected impact		Ease of implementation		Funding source	
2		1		TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Tourism: Diversify the sector to increase resilience and capitalise on growing niches	Owner	Deputy Ministry of Tourism	Start	01/2029
Initiative ID: 216	Run a biannual tourism survey			End	06/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There is a need to attain more detailed and temporal data on the tourism sector. For example, the Central Bank of Cyprus runs a biannual survey of the country's shipping sector, accompanied by a report detailing the contribution of the sector to GDP, the key activities undertaken and developments in costs and revenues.Given the current challenges facing the country's tourism sector (i.e. declining revenues, environmental impact, COVID-19), a similar approach should be taken. The more data that can be obtained about businesses and tourists, the better policies and strategies can be designed to support it going forward.The National Tourism Strategy expresses significant ambition to grow the sector and diversify activities; a survey that is run at frequent intervals is critical to understand whether the strategy is working, and whether change is underway in the sector. It will help underpin policy development in the sector and will be key to progressing the sub-sectors identified in this report.		<ul style="list-style-type: none">Statistical Service of Cyprus			
Key activities					
<ul style="list-style-type: none">Run a tourism survey that should:<ul style="list-style-type: none">Be conducted at least twice a year, covering both winter and summer tourists.Aim to understand the appetite for tourism in a post-COVID world, i.e. what infrastructure, procedure and facilities need to be in place to make people comfortable with travel and leisure.Dig deeper into demand for niches, such as agritourism and health tourism to understand what would increase demand for these.Understand barriers to disabled people visiting Cyprus and how infrastructure and facilities can be improved.Publicise results in an interactive website which should be accessible to all of the main tourism stakeholders, improving the usability and analysis of the tourism data that is currently available on the Statistical Service of Cyprus.Commitment by the Ministry of Tourism will be required to analyse and distil the results of the survey into meaningful policy recommendations for the sector.					
Expected impact	2	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Tourism: Drive sustainability and circularity across the sector	Owner	Deputy Ministry of Tourism	Start	01/2026
Initiative ID: 217	Create a network of 'green-rated' hotels			End	05/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none"> A clear framework should be established for overall green behaviours, aligned in nature with the Cyprus's Employers and Industrialists Federations' efforts underway related to the European project Hotels4Climate. The Hotels 4 Climate project financed by the European Climate Initiative, and championed by the Cyprus Employers and Industrialists Federation (OEB), aims to drive sustainability in the hotel industry by: <ul style="list-style-type: none"> Capacity building workshops and training for hotel staff on possible greenhouse gas (GHG) reduction, energy saving practices and circular business models Development of an online information hub, to share knowledge and to assess GHG emission reduction potential through a virtual tool Study visits of 10 Cyprus hotel representatives to hotels that apply good practices in Greece and Germany. Networking events with hotels representatives and financial institutions to showcase business models and best practices and enhance their collaboration opportunities. Establishing a clear framework will help focus efforts by businesses to be more sustainable and green, while ratings and certification will create incentives for businesses to reassess operating models and invest in renovations (i.e. for energy efficiency). 		<ul style="list-style-type: none"> Cyprus Employers and Industrialists Federation (OEB) Cyprus Hotels Association Ministry of Finance Law Office of the Republic of Cyprus 		<ul style="list-style-type: none"> Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investment 9, page 238 Hotels 4 Climate project financed by the European Climate Initiative and championed by OEB 	
Key activities		Budget		Funding source	
<ul style="list-style-type: none"> Create a network of 'green-rated' hotels. Specifically: <ul style="list-style-type: none"> Create a rating system of hotels, based on the extent to which hotels use renewable energy, are energy efficient, incorporate circular policies, such as waste and water management and eliminate single-use plastic. This rating system should be explained and promoted on the online information hub that will be developed for the Hotels4Climate project. Provide government certification with various levels depending on progress towards full compliance. Qualification criteria and quantifiable targets should be based on established and internationally recognised certifications, for example LEED (Leaders in Energy and Environmental Design) and BREEAM (Building Research Establishment Environmental Assessment Method) Develop a marketing tool: An official website must be created that advertises these highly rated green hotels. This website should be used as a central marketing tool in promoting green tourism Cyprus and capturing the 'Greta generation' of environmentally conscious tourists. Create additional incentives such as: <ul style="list-style-type: none"> Reputational incentives: the combination of certification and the promise of additional promotion on the green tourism website should create incentives for companies to change. Financial incentives: Funding and access to Eu grants should be tied to participation and performance on the network. For example, high performers could have access to special green rates from government and bank funding, or acceleration of the depreciation rate on investment for further installations of solar energy. It can also do this indirectly by mandating the Electricity Authority of Cyprus to meet sustainability targets with a segment of its clientele. Legislative incentives: Using the framework as a base, the government should look to create phased regulatory requirements, for example that 100% of net energy consumption of hotels should come from renewables by a certain time. This should be done especially in the area of waste, requiring companies to dispose of waste correctly and recycle. 		TBD		Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
		Case studies		Dependencies	
		<ul style="list-style-type: none"> Slovenia: Green Scheme of Slovenian Tourism (Appendix 4.2) 		N/A	
Expected impact	3	Ease of implementation	2		

Initiative Area	Tourism: Capitalise on growing demand for agrotourism and create opportunities for the rural economy	Owner	Deputy Ministry of Tourism	Start	01/2025
Initiative ID: 218	Create the right infrastructure to capitalise on growing demand for agrotourism and create opportunities for the rural economy			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">It is important to encourage and sustain domestic tourism especially during off-season periods and international economic and other crises such as the one arising due to covid-19.Capitalising on the growing demand for agrotourism will enable Cyprus to sustain domestic tourism during off-season periods, supporting the sustainability of the tourism sector.Currently, there is no legislation for attractions such as agritourism establishments that are also workable farms. In order to move from simply renovating old homes and towards the provision of experiences, new legislation is required to enable rural businesses to double up as tourist attractions.Efficiency and consistency in planning permissions should be improved to make decisions faster and more aligned to local needs, responsibility for granting planning permissions should be devolved to local government. A clear framework needs to be in place to ensure consistency in national policy, but with local nuances to expand the buildable area – for example, enabling construction on agricultural land (which makes up the majority of rural areas). Policymakers should also make a list of unused buildings which could be converted to tourism or other purposes to revive rural communities.		<ul style="list-style-type: none">Law Office of the Republic of CyprusDepartment of town planning and housing (Ministry of Interior)Ministry of Finance		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investment 8 (page 234) and Investment 10 (page 242)	
Key activities					
<ul style="list-style-type: none">Develop legislation for attraction to enable rural businesses to double up as tourist attractions. Consultation between policymakers and local government and businesses is necessary.Improve efficiency in planning permissions to make decisions faster:<ul style="list-style-type: none">Devolve responsibility for granting planning permissions to local government to make decisions more aligned to local needsPut in place a clear framework for ensuring consistency, in national policy, but with local nuances to expand the buildable area - – for example, enabling construction on agricultural land (which makes up the majority of rural areas).Make a list of unused buildings which could be converted to tourism or other purposes to revive rural communities.Provide financial incentives and support for upgrading infrastructure: For example, policymakers could create a fund to provide loans to farmers with favourable interest and repayment terms.					
Expected impact	4	Ease of implementation	1	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">Italy: Reviving the agricultural sector in Tuscany through agro-tourism (Appendix 4.2)
				Dependencies	3 & 198

Initiative Area	Tourism: Capitalise on growing demand for agrotourism and create opportunities for the rural economy	Owner	Cyprus Agrotourism Company	Start	10/2027
Initiative ID: 219	Improve the functionality of the Cyprus Agrotourism Company			End	06/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The Cyprus Agritourism Company (CAC) was established to better coordinate offerings and centralise bookings for agritourism experiences. Its role can be expanded to join up with national marketing strategies and to support local businesses and communities.		<ul style="list-style-type: none">Deputy Ministry of Tourism			
Key activities					
<ul style="list-style-type: none">Improve the functionality of the Cyprus Agrotourism Company (CAC). More specifically:<ul style="list-style-type: none">Better feed the CAC’s marketing campaign into national tourism campaigns. This should be a joint effort between the CAC and the Deputy Ministry of Tourism. More could be done to promote and position agritourism as a key attraction.Provide resources to help local businesses advertise. The CAC can offer advice and training on social media management and maintaining communication with past tourists and encouraging repeat visits. Also, host training seminars with local agritourism stakeholders informing them of best practice on accommodation management.Create more joined up information flyers and website, for example on wider tourist requirements such as pharmacies and food.					
Expected impact	1	Ease of implementation	5	Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Tourism: Capitalise on growing demand for agrotourism and create opportunities for the rural economy	Owner	Deputy Ministry of Tourism	Start	07/2028
Initiative ID: 220	Bring skills to rural areas and encourage digitalisation			End	06/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">To capitalise on growing demand for agrotourism and create opportunities for the rural economy, the government should bring skills to rural areas and encourage digitalisation. Engaging and training young people at an early age in work in the rural economy is critical to ensuring sufficient labour supply, with young people increasingly expressing preferences to live and work in urban areas.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyHuman Resource Development AuthorityCyprus Agrotourism Company (CAC)Employers’ representatives (e.g. the Cyprus Employers and Industrialists Federation (OEB), the Cyprus Chamber of Commerce and Industry (KEBE), etc.)Cyprus Rectors’ ConferenceLocal businesses		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 4.1, Investment 1, page 407	
Key activities					
<ul style="list-style-type: none">Bring skills to rural areas and encourage digitalisation. More specifically:<ul style="list-style-type: none">The Cyprus Agrotourism Company should coordinate digital training programmes, for example on online booking systems, social media and WiFi for guests. They should make the most of EU programmes and webinars, but also compliment with in-person training for digital beginners.Set up partnerships between education institutions and local businesses.The intention of the partnership would be for young people to be able to undertake work placements and apprenticeships to:<ul style="list-style-type: none">i) develop their skills within the tourism sector, addressing Cyprus's relatively high NEET rates andii) to help revive old and stagnating traditional models of tourism with new ideas from young people, for example incorporating social media into a marketing strategy.					
Expected impact		Ease of implementation		Budget	
2		4		TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	
				Dependencies	
				61, 199, 219	

Initiative Area	Tourism: Capitalise on growing demand for agrotourism and create opportunities for the rural economy	Owner	Deputy Ministry of Tourism	Start	07/2029
Initiative ID: 221	Hold forums with local communities			End	12/2029
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Forums with local communities led by the Deputy Ministry of Tourism and in conjunction with local policymakers would be useful in hearing about the local communities’ views on the development of the agrotourism sector and the impact it is having on the local community, as well as the issues and obstacles to grow the sector. In this way the Deputy Ministry will have a much richer idea of the size and development of the sector and how to better manage its growth and impact.		<ul style="list-style-type: none">Union of MunicipalitiesUnion of Communities			
Key activities					
<ul style="list-style-type: none">Hold forums with local communities in conjunction with local policymakers. The intention of these forums should be to hear about the local communities’ views on the development of the agritourism sector and the impact it is having on the local community. They should also give an indication of the issues they are facing and what the obstacles are to grow this sector.Prepare an annual report on the development of tourism in the rural economy and recommendations for growth and management of the sector.Follow the UNESCO World Heritage Sustainable Tourism Toolkit’s ‘Guide to Engaging Local Communities and Businesses’, which offers advice on how to reach out to local communities to begin a dialogue on how to bring mutual benefits.					
Expected impact		1	Ease of implementation		2
				Dependencies	
				N/A	
				Budget	
				TBD	
				Funding source	
				TBD	
				Case studies	
				N/A	

Initiative Area	Tourism: Capitalise on growing demand for agrotourism and create opportunities for the rural economy	Owner	Cyprus Hotels Association	Start	01/2030
Initiative ID: 222	Create partnerships with international hotels to share best practices			End	06/2030
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Across the whole tourism sector, partnerships with international hotels should be set up to share best practice. This will enable Cypriot businesses can keep up with modern management practices and to refresh and update their product offering.		<ul style="list-style-type: none">Deputy Ministry of Tourism			
Key activities					
<ul style="list-style-type: none">Create partnerships with international hotels to share best practices. Such partnerships may give inspiration and guidance on how to build, implement and further develop partnerships - focusing on strategic and operational issues in partnering and lessons learned from past partnering experiences. By examining cases from all regions of the world and from several different areas in tourism, it is possible to gather insights that can be applied beyond the specific cultural and economic contexts of each case.					
Expected impact		Ease of implementation		Dependencies	
1		3		N/A	

Initiative Area	Tourism: Drive quality and improve the international reputation of health tourism sector	Owner	-Deputy Ministry of Tourism -Ministry of Health	Start	04/2025
Initiative ID: 223	Undertake a market assessment of the national health tourism sector			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The global medical tourism market is large and growing. For Cyprus to establish itself it needs to understand how its advantages can best be leveraged, and which market niches it can be most competitive in. Cyprus has a lot to offer, in particular by combining its natural capital and tourism infrastructure with its healthcare system, and in doing so allowing tourists to combine holidays with healthcare needs.		<ul style="list-style-type: none">Ministry of InteriorMinistry of Foreign Affairs			
Key activities		<ul style="list-style-type: none">Undertake a consultation and market assessment study to understand the potential to develop the medical tourism industry, and the key markets and forms of medical tourism to pursue. The report should identify a compelling product of medical tourism in Cyprus – a set of services which will be able to begin Cyprus's expansion into the global health tourism market. This report can then provide a foundation for future strategy and policy development to stimulate the specific niches which are identified as priority areas for Cyprus.<ul style="list-style-type: none">The key aspects the report should investigate are:<ul style="list-style-type: none">The global market of wellness industry (incl. forecasts and growing markets (including the Middle East)Current experience of patients in Cyprus; Strengths and WeaknessesCase studies other countries that are leaders in the areaModel that Cyprus could adoptAvailability of ancillary services (wellness resorts, rehabilitation services etc).In the process, engage experts across the relevant ministries, healthcare providers, medical facilitators and travel agencies, professional associations and governmental bodies, as well as from academia.Review best practices - strategies taken by other countries with similar features to Cyprus.			
Expected impact		3	Ease of implementation	5	Dependencies
					N/A

Initiative Area	Tourism: Drive quality and improve the international reputation of health tourism sector	Owner	Ministry of Health	Start	01/2023
Initiative ID: 224	Raise the quality of private and public healthcare standards in Cyprus to those of Western Europe			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are a growing number of international organisations which provide consistent and robust assessments of hospitals and health care providers. Raising the quality of healthcare in Cyprus on a continuous basis is highly important. To do this, Cyprus needs to follow a two-pronged approach to healthcare as described in the key activities below.		<ul style="list-style-type: none">Health Insurance Organisation (OAY)State Health Services Organisation (OKYπY)Private healthcare providersHealth Commissioner's Office (to be developed under ID 168)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 1.1, Investment 4, page 63	
Key activities					
<ul style="list-style-type: none">Follow a two-pronged approach to healthcare to raise the quality of private and public healthcare standards in Cyprus to those of Western Europe<ul style="list-style-type: none">Private sector: Make it a condition for private healthcare establishments to gain accreditation from the leading health centres of the world. For example, the Joint Commission International is one of the most recognised accreditation services, which allows for international comparisons across countries and health care providers. Achieving accreditation has been shown to not only improve international perception, but also quality of care, quality of management, and risk mitigation. Cyprus should aim for 50% of private hospitals have this accreditation by 2026 and 100% by 2030.Public sector: Make it a condition for public healthcare establishments to gain accreditation. To do this, and given the similarities of the Cypriot health system with that of the UK, consider obtaining advice from the General Medical Council in the UK which is responsible for reviewing standards, set accreditation process and quality assurance frameworks. These should be applied to all public hospitals in Cyprus as soon as possible to ensure that best practice is followed.Seek accreditation for the full range of health care services in Cyprus – not only hospitals, but also care homes, specialist care, rehabilitation centres, short stay surgery – to diversify the export offerings of the health and medical sector.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	167, 168 & 172

3.3.15

Thriving and resilient economy

Tertiary education

Tourism

Agriculture

Manufacturing

We have evaluated and mapped all initiatives under the “agriculture” sector against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “agriculture” sector. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Agriculture: Achieve economies of scale and drive competitiveness	Owner	Ministry of Agriculture	Start	04/2025
Initiative ID: 225	Modernise the role of agriculture co-operatives in Cyprus			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The agricultural sector is dominated by small enterprises and is fragmented, limiting economies of scale. 85% of farmers in Cyprus owning farms less than 5 hectares (European Commission, Analytical factsheet for Cyprus, 2019).This means that 81% of farms in Cyprus have less than €8,000 of standard output, and 97.6% of farms in Cyprus are ‘family farms’, meaning that over 50% of regular labour is from family members.In terms of available land, agricultural areas in Cyprus have been in decline, falling by a third from 166,000 hectares in 2005 to 112,000 hectares in 2016.Cyprus's agriculture sector is characterised by low productivity. Total factor productivity (TFP) growth in the agriculture, forestry and fishing sector was, on average, amongst the lowest relative to other sectors between 1996-2018 (University of Cyprus, Economic Research Centre – ‘Sectoral Productivity Developments in Cyprus’, Issue 20/1, March 2020).Cooperatives can play a role in Cyprus's agricultural model as they can help overcome some of the problems of having a small-scale farm size.		<ul style="list-style-type: none">Agriculture co-operatives		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reform 1, page 213	
Key activities					
<ul style="list-style-type: none">Encourage farmers to agree to plan the same crop on adjoining farmers. Some of this already happens on an informal basis in Cyprus, but it could be made more systemic perhaps with the involvement of the agricultural co-operatives.Encourage mergers of co-operatives. Some of the cooperatives in Cyprus are too small in terms of members and turnover. For example, in the Famagusta District there are above five co-ops within the same 15km radius.Refresh the institutional framework of co-operatives so that they are more autonomous and flexible, have a more business-oriented approach while maintaining high environmental standards, are more consumer-oriented, and are hubs of innovation.<ul style="list-style-type: none">The institutional and legislative framework the UK follows (e.g. Cooperative and Community Benefit Societies Act (2014)) in the UK could be a useful starting point on setting the refreshed institutional framework for cooperatives.					
Expected impact	2	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Agriculture: Achieve economies of scale and drive competitiveness	Owner	Ministry of Agriculture, rural development and environment	Start	01/2026
Initiative ID: 226	Create incentives and structures to increase farm size			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cypriot farm sizes are considerably smaller than the EU average. Increasing farm sizes is important to improve the potential for economies of scale. Spreading costs over a larger output, makes farmers more cost-competitive, which in turn can help Cyprus increase its presence on global markets, and also enable farmers to make more investments in technology.The agricultural sector is dominated by small enterprises and is fragmented, limiting economies of scale. 85% of farmers in Cyprus owning farms less than 5 hectares (European Commission, Analytical factsheet for Cyprus, 2019). This means that 81% of farms in Cyprus have less than €8,000 of standard output, and 97.6% of farms in Cyprus are ‘family farms’, meaning that over 50% of regular labour is from family members.In terms of available land, agricultural areas in Cyprus have been in decline, falling by a third from 166,000 hectares in 2005 to 112,000 hectares in 2016.There is also a challenge of a lack of awareness and knowledge of the benefits of technology solutions and know-how to implement solutions which will make farms more productive and cost-competitive. Investment in agriculture is comparatively low by EU standards. Gross fixed capital formation measures how much of the value added created by agriculture is invested (as opposed to consumed). GFCF in agriculture in Cyprus in 2018, as a percentage of GVA, was the lowest among the EU28 (European Commission, Agriculture, forestry and fishery statistics, 2019).		<ul style="list-style-type: none">Ministry of InteriorLaw Office of the Republic of CyprusMinistry of FinanceMinistry of Education, Culture, Sport and YouthCyprus Rectors’ ConferenceAgriculture co-operatives		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reform 3, page 217	
Key activities					
<ul style="list-style-type: none">Create the right incentives for increasing farm size through the following:<ul style="list-style-type: none">Voluntary exchange or merging of parcels of land:<ul style="list-style-type: none">The government can act as a mediator and encourage the exchange of land, by building a web-based platform and running seminars in the rural areas of Cyprus to inform the farming community of the benefits of such a transaction.Enact legislation to ensure any potential disputes are resolved appropriately.Tier financial incentives according to firm size in order to incentivise mergers and hence create the scale required for investments and digital transformations. These incentives could be in the form of tax credits, direct subsidies for specific technologies, or the provision of government-backed loans with favourable interest rates.There is also currently an initiative underway to identify unutilised or abandoned plots of land and then offer incentives to young people to cultivate the land using technology. To boost the effectiveness of this policy, showcase the opportunities of agritech in universities and bring people together to collaborate on cultivation projects. Indeed, universities should even offer trips out to land and agritech pilot farms to demonstrate the potential opportunities.					
Expected impact	4	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area Initiative ID: 227	Agriculture: Upskill the farming community and professionalise the future labour force	Owner Ministry of Agriculture, rural development and environment	Start 06/2023
	Invest in human capital of the agriculture sector		
Context		Indicative contributing stakeholders	Indicative links to other national plans / strategies / studies
<ul style="list-style-type: none">There are several limiting factors regarding skills in the agricultural sector. These include a lack of digital skills, ageing farmers (which is associated with a resistance to technological change and modern farming methods), and a lack of high quality STEM skills necessary for developing the sector.Only 3.3% of farmers are under 40, compared to an EU-28 average of 10.6%. Of increasing concern, is that Cyprus has the lowest share of young farm managers, aged below 35, in the EU in 2016 at 1.3%, compared to an EU average of around 5%. Its share of young farmers decreased between 2010 and 2016.Just 0.6% of farmers have full agricultural training compared to a 9.1% average in the EU. This is where the manager has taken at least 2 years full time training at the end of compulsory education, and completed an agricultural college, university or other higher education qualification in agriculture or associated subject.Skilled agricultural workers have a relatively low risk of automation compared to other occupations; around 20-25% of jobs are at high risk of automation by the 2030s, compared to around 30% for sales and technicians, and over 50% for clerical workers and machine operators.¹ With the necessary skills the next generation of farmers will work with autonomous and robotic machines, from programming them to operating and maintaining the equipment.Increasing the level of human capital in the agricultural sector in Cyprus would mean that the sector would be more professional. Practically, this translates to more efficient use of limited resources through investing in newer technologies which results to a more competitive agricultural sector. Doing so means that the sector's export potential becomes more plausible.There needs to be a process of curriculum redesign and co-creation of education systems in order to develop the skills required by industry. The government needs to take a role in bringing together a broad coalition of representatives from across the sector and universities to grow the necessary skills in agricultural technology. The role of industry is key to ensure that the skills and training are aligned to business needs. Universities and training institutions need to be agile and adapt to industry demand quickly.This will be part of a coordinated effort to build a stronger skill base for the sector who can be involved in the innovation of agricultural technology through its application in farms across the island.There is also a need to 'bring agriculture to the city', for example making people aware of the data science roles available with agritech.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthCyprus' Agricultural Research InstituteCyprus Rectors' ConferencePrivate and public universitiesCyprus Employers and Industrialists Federation (OEB),Cyprus Chamber of Commerce and Industry (KEBE)Human Resource Development Authority (HRDA)The agriculture skills council (to be developed under ID138)	
Key activities		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Establish a new syllabus of educational programmes run by Cyprus's Agricultural Research Institute for existing farmers. These should consider a mix of management techniques and financial literacy (booking, costing, financial statements, cashflow management, export-financing), but also novel and new areas in the sector including smart irrigation systems, precision farming, hydroponic environments, robotisation, integrated pest management (IPM), use of drones, agroecology, use of less hazardous pesticides and animal and public health. They could be run in rural areas on a frequent basis, free of charge.Offer scholarships to young Cypriots who are willing to study Agriculture related degrees in the Cypriot universities (e.g. Degree in Agriculture Sciences, Biotechnology and Food Science at the Cyprus University of Technology). The scholarships would be contingent on the scholar working in an agricultural business in Cyprus within three years of graduation. Also funding can be offered to students to study leading agricultural courses abroad (for example, Israel or the Netherlands) on the condition they come back to Cyprus and set up an innovative business.Set up a 'year in industry' programme to place students into industry during their degree. Under this scheme students studying relevant degrees can opt to undertake a business placement to develop their skills, increase their employability in the sector, and inform their thinking and understanding of the sector. Placements at farms implementing agri-tech solutions, agri-tech companies and innovators would result in a better awareness of the agri-tech sector and boost investment. To do this, universities need to use their career service offices to liaise with farmers and allocate students at farming establishment in Cyprus.Create a greater understanding of the wider skillsets and capabilities needed to grow the sector, such as computer science and data science which are needed to analyse the large volumes of data generated from agritech. It is also often a role which can be done remotely to agricultural land and so workers could live in cities rather than rural environments, which may have wider appeal for young Cypriots. The government should work with academia to develop partnerships between farms and universities which allow students to use their data as part of their learning, applying their skills to real-life industry problems.Develop specific agricultural courses at vocational education colleges to equip students with the right skills to excel in agri-tech. Businesses should be directly involved in developing these programmes and incorporating skills and training into the curriculum, for example through the recommended skills councils. This policy is likely to rely on developing a good foundation for vocational education generally in Cyprus, increasing the perception and popularity of such career pathways.		Indicative links to other national plans / strategies / studies	
Expected impact		Dependencies	
5	Ease of implementation	138	
Funding source		Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.	
Case studies		UK: Agri-tech in the United Kingdom (Appendix 4.2)	

Initiative Area	Agriculture: Organise and promote Cypriot speciality foods and ensure quality	Owner	Ministry of Energy, Commerce and Industry	Start	01/2025
Initiative ID: 228	Set up an organised trade body for Cypriot foods			End	06/2026
Context		Indicative contributing stakeholders			
<ul style="list-style-type: none">Creating a consistent and a common identity and communication strategy as an umbrella that will promote all of Cyprus’ current and potential food products is important in boosting Cyprus’ exports competitiveness as well as demand at home.		<ul style="list-style-type: none">Trade Service (under Ministry of Energy, Commerce and Industry)Cypriot foods producersMinistry of TourismCyprus Hotels Association			
Key activities					
<ul style="list-style-type: none">Set up an organised trade body for Cypriot foods The general mandate of the body will be to campaign to raise awareness of unique Cypriot foods (e.g. indigenous wines, high quality olive oils, cheeses other than halloumi), as well as continuing to promote the goods which are known and loved around the world. The body should:<ul style="list-style-type: none">Identify and prioritise key export markets and set out a product market strategy for Cypriot foods. In doing so it should be forward looking and seek to develop strategies to capitalise on changing market trends, for example considering how Cyprus's food can be known as healthy, high quality, and authentic.Create a national branding strategy that should involve coordination across all producers of Cypriot foods to ensure that the key aspects of the ‘national brand’ are encapsulated across all products – this could include an emphasis on local production, quality ingredients or sustainable farming. These must seek to differentiate Cyprus from other countries and build upon growing consumer trends (i.e. desire for authentic and green produce).Ensure that a consistent communication and brand strategy must exist across all facets of the Cyprus national brand, including Visit Cyprus, Study in Cyprus and Invest in Cyprus.Introduce reputation incentives in the tourism industry to help boost demand at home, for example accreditations for hotels and restaurants in Cyprus that buy over a certain percentage of foods from Cyprus can help to link the tourism sector more closely to the higher value authentic experience market.					
Expected impact	4	Ease of implementation	4	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	214

Initiative Area	Agriculture: Organise and promote Cypriot speciality foods and ensure quality	Owner	Ministry of Energy, Commerce and Industry	Start	04/2026
Initiative ID: 229	Seek further protection of origins for Cyprus goods			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">In a competitive global food market where traditional and authentic produce seeks a premium, Cyprus can enhance its role in protecting and promoting the unique heritage of its produce. This will both protect Cypriot goods from unfair competition, and attest to the quality of goods which will help raise standards.At present Cyprus has four goods with Protected Geographical Indication (PGI) – Argos Rose Spoon Sweet, Paphos sausages, sugared Yeroskipou almonds, and Yeroskipou Cyprus delights, and one Protected Designation of Origin (PDO) product, Sotira Kolakassi (taro root), with halloumi recently receiving PDO status as well.The Trade Service is currently in the process of issuing a tender for the development of a brand of Cyprus goods and services in line with the Economic Diplomacy Strategy. These should also be consistent with Vision 2035.		<ul style="list-style-type: none">Law Office of the Republic of CyprusCypriot food producers			
Key activities					
<ul style="list-style-type: none">Seek further protection of origins for Cyprus goods:<ul style="list-style-type: none">Seek consultation to identify which foods in the international market would benefit from EU origin protections and prioritise those which should be pursued at an EU level as Cyprus currently lags behind other European countries in this regard.In parallel, put in place a “Made in Cyprus’ origin certification mechanism for a large proportion of Cypriot food and beverages which meet quality standards, in order to promote Cypriot foods of high quality.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">EU: Protection of origin of foods (Appendix 4.2)
				Dependencies	228

Initiative Area	Agriculture: Organise and promote Cypriot speciality foods and ensure quality	Owner	Ministry of Agriculture	Start	04/2025
Initiative ID: 230	Establish a Food Standards Agency			End	12/2025
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">To ensure the high quality of food in the Cypriot market, a Food Standards Agency should be established. Its mandate should be responsibility for ensuring that food is safe to consumers and that food is what it says it is on the labels.The role of the Food Standards Agency will be of increasing importance going forward as new products like lab grown meat and other artificial foods are developed and come to the market. Ensuring the correct labelling of these and compliance with EU regulations will be important. The Food Standards Agency should work closely with policymakers in consultations about how to develop appropriate legislation.		<ul style="list-style-type: none">Legal Service of Cyprus		<ul style="list-style-type: none">Farm to Fork 2020-2024 - Chapter 2.4, Page 14	
Key activities					
<ul style="list-style-type: none">Establish a Food Standards Agency responsible for ensuring that food is safe to consumers and that food is what it says it is on the labels. The Agency should have the same status as any other regulatory body in Cyprus and may be staffed from existing experts from the Ministry of Agriculture, Rural Development and the Environment. Foreign expertise may be sought where and when necessary (including use of statisticians, researchers, policy professionals, inspectors etc). Among others, the Body should be responsible for:<ul style="list-style-type: none">The standardisation of the production of organic foods in line with EU initiatives – organic and authentic is a key play for Cypriot speciality foods to appeal to increasingly environmentally and health conscious consumers. When designing standards, it should be anchored in EU legislation, but also consider standards in key export markets – for example, China does not import pork meat from Cyprus due to the use of antibiotics.Conducting food and hygiene controls, including in abattoirs and cutting plants, wine and on-farm dairy establishments. Port Health Officials should also conduct risk-based document checks, identity checks, physical checks.Working closely with policymakers in consultations about how to develop appropriate legislation for new products like lab grown meat and other artificial foods in the future, to ensure correct labelling and compliance with EU regulations.					
Expected impact	3	Ease of implementation	4	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Agriculture: Organise and promote Cypriot speciality foods and ensure quality	Owner	Ministry of Agriculture, rural development and environment	Start	01/2022
Initiative ID: 231	Reduce the use of pesticides and antibiotics			End	12/2023
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Increasing and maintaining high levels of quality in foods produced is consistent with modern requirements and is an important way to keep the agricultural sector competitive.To do so, it is important limit antibiotic use in agriculture and use pesticides more sustainably. According to the “Analytical factsheet for Cyprus: Nine objectives for a future Common Agricultural Policy” in September 2019:<ul style="list-style-type: none">The sales in veterinary antimicrobial agents in mg per population correction unit (PCU) fluctuates between 453 and 391 mg/PCU in Cyprus. The sales in Cyprus are significantly above the EU-average (which is weighted for those MS that provide data on a yearly basis), and the highest in the EU.Pesticides sales in Cyprus in 2016 decreased as compared to 2014. Especially the sales in fungicides and bactericides decreased compared to 2014. However, pesticide sales in 2017 are above 2014 level.		<ul style="list-style-type: none">Food Standards Agency (yet to be developed under ID 230)Ministry of Energy, Commerce and IndustryAgricultural co-operatives		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) – Component 3.1, Investment 3, page 225Farm to Fork 2020-2024 - Chapter 2.1, Pages 9 - 10	
Key activities					
<ul style="list-style-type: none">Set up a one-stop-shop Cyprus Farm Advisory service which offers advice to arable farmers on pesticide use. This service should be freely accessible to the farming community as well as households. Its key aim should be helping farmers make reducing their use cost effective.Introduce a total or targeted ban for certain pesticides, where non-chemical alternatives or other candidates for substitution exist. This would need to be complemented by encouraging the use of non-chemical alternatives for pest management. This has been tried in Germany where 30% of farms have targets measurable targets to use non-chemical alternatives for pest-management.Introduce area-based restrictions to protect underground drinking water, especially in areas where water scarcity is a particular issue.Set up a network of demonstration farms so that they can play a key role in reducing mainstream pesticides through peer to peer learning. Research in France shows that existing technologies and practices alone expect to reduce chemical use by 20%.Encourage co-operatives to sign up to national targets relating to pesticide use.Drive uptake of technological solutions that can moderate and manage usage.The Food Standards Agency should run an education campaign to inform consumers of the health and environmental impacts. This will ensure demand for change comes from the market as well.					
Expected impact	3	Ease of implementation	2	Budget	TBD
				Funding source	TBD
				Case studies	<ul style="list-style-type: none">Netherlands: Reduction of antibiotics in agriculture (Appendix 4.2)
				Dependencies	230

Initiative Area	Agriculture: Move agricultural practices into the 21st century and drive investment in agritech	Owner	Ministry of Agriculture	Start	01/2025
Initiative ID: 232	Invest in a national centre for excellence in agritech			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Agritech offers the potential to mitigate against some of these challenges and future-proof the sector.'Precision agriculture' uses sensors and data to identify which crops are complementary to climates and conditions, to optimise yields and quality. Agritech enables farmers to prepare and anticipate change and ensure they are growing what works in the face of changing conditions.Agritech also allows for more efficient resource use, by increasing the accuracy with which water and fertilisers are used, for example by targeted irrigation delivery optimising the quantity of water used and the time at which it is provided, helping to reduce excessive demand and waste.Agri-tech solutions can help to reduce the amount of chemicals used in growing crops, by selecting the right plants for the environment and growing crops which are more resistant to pests or diseaseThe Agricultural Research Institute (ARI), under the Ministry of Agriculture, Rural Development and Environment, is already promoting the use of technologies to both reduce the impact of agriculture on the natural environment and boosting productivity, quality and taste, yields, and resilience. A key program is aimed at experimental breeding technology to identify plants which are suited to Cyprus's challenging climate.Given the prevalence of small farmers in Cyprus and the lack of diversification in access to finance, the government needs to play an intermediary role in both incentivising and enabling investments in agritech.		<ul style="list-style-type: none">Cyprus' Agricultural Research Institute (ARI)Deputy Ministry of Research, Innovation and Digital PolicyMinistry of FinanceCyprus' universitiesCyprus Rectors' ConferenceCyprus Employers and Industrialists Federation (OEB)Cyprus Chamber of Commerce and Industry (KEBE)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reform 1, page 213	
Key activities (continued on the next page)					
<ul style="list-style-type: none">Upgrade the role of the Cyprus's Agricultural Research Institute (ARI) as the country's centre of excellence on agricultural practices. This would mean ARI takes the lead in developing and disseminating the latest innovations in the agricultural sector to the Cypriot farming community.Build an ecosystem between farmers, food processing businesses and scientists and researchers to share experiences, innovations and the hot issues in their respective sub-sectors. To do this, develop a strategic plan for collaboration across academia, technology business and agricultural businesses. This will help to achieve multiple goals of ensuring that academic research is commercially viable and practical, engaging end users, developing knowledge and skills, increasing the sector profile and raising investment.Raise awareness of the technological solutions now available within agriculture through developing and implementing a national agritech campaign. The campaign should provide information about what agritech is, how much it typically costs and its expected benefits. The Ministry of Agriculture should do this with a combination of online resources, information booklets sent out to farmers, as well as seminars and forums.Connect with world leaders in agritech. Connect with established international research centres to increase the flow of knowledge and expertise. The potential for this is particularly high since one of the global leaders in this sector is one of Cyprus's closest neighbours – Israel. Greater academic links such as secondments for research staff and students between Cyprus and Israel could enable learning and connect Cyprus into global research. Israel faces many of the same agricultural climate and conditions challenges as Israel due to their geographic proximity and similar climates, meaning that much of the research into Israeli agri-tech solutions is also relevant to innovation in Cyprus. This programme should be driven by seminars or conferences to bring universities together and be incorporated into the national centres of excellence to foster exchange and collaboration which can draw in international expertise. Also, consider subsidising farmers to travel and engage with overseas farmers to understand new technologies.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	No funds are secured through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	<ul style="list-style-type: none">Israel: Agri-tech R&D in Israel (Appendix 4.2)
				Dependencies	N/A

Initiative Area	Agriculture: Move agricultural practices into the 21st century and drive investment in agritech	Owner	Ministry of Agriculture	Start	01/2025
Initiative ID: 232 <i>continued</i>	Invest in a national centre for excellence in agritech			End	12/2026
Key activities (continued)					
<ul style="list-style-type: none">Consider partnering with overseas centres of agricultural excellence (e.g. Wageningen University and Research (WUR)) and co-operate further on exchanging students, establishing a joint research programme that is relevant to Cypriot farming and encouraging WUR spin-offs to collaborate with Cypriot partners. This can be linked to funding from the Cyprus Equity Fund which is currently in progress of being set up. The ARI should also tap on the expertise of the European Commission's EIP-AGRI.Provide financial incentives to encourage R&D and other investments in agritech across academia and the private sector.<ul style="list-style-type: none">R&D incentives: One approach is an innovation credit which is a government guaranteed loan for the development of new technical products – policymakers can specify credits to solve sector problems, for example agritech for better water management. Additionally, tax credits for R&D expenditures in the sector could be rolled out to motivate private sector investment. These should be targeted at investments which seek to find technical solutions to improve agriculture in Cyprus.Other investment incentives: Direct subsidies for specific technologies can be offered to farmers. Government-backed loans with favourable interest rates can also be provided. They should however come with specific conditions on the use of the funds. Local municipalities could also explore the possibility of purchasing technologies themselves and offering farmers technologies on loan					
Indicative links to other national plans / strategies / studies					
<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Reform 1, page 213					
Budget					
TBD					
Funding source					
No funds are secured through the Recovery and Resilience Fund (RRF). Consider other sources of funding.					
Case studies					
N/A					
Dependencies					
N/A					
Expected impact	2	Ease of implementation	2		

Initiative Area	Agriculture: Promote the awareness and adoption of agritech by farmers	Owner	Ministry of Agriculture	Start	10/2026
Initiative ID: 233	Present and demonstrate agri-tech through regional fairs and "demonstrator farms"			End	06/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Given the large initial capital outlays required, farmers need to fully understand the long-term financial benefits of investing in agritech. Moving from the laboratory to the market is key to practical education.The government can help to support this adoption through sharing of best practice, collaboration of data, raising the visibility, profile and knowledge sharing within the sector.		<ul style="list-style-type: none">Ministry of FinanceAgricultural co-operativesFarmersUniversities		<div>N/A</div>	
Key activities				Budget	
<ul style="list-style-type: none">Work with universities to set up regional trade fairs to exhibit agritech and best practice.Provide financial incentives, such as tax credits, for farms to be ‘demonstrator farms’, where they hold quarterly demonstrations of the technology in practice at their farms, inviting farmers from across the country to come and learn, providing advice on how to get started and overcome challenges.				<div>TBD</div>	
				Funding source	
				<div>TBD</div>	
				Case studies	
				<div>N/A</div>	
				Dependencies	
				<div>N/A</div>	
Expected impact	2	Ease of implementation	4		

3.3.16

Thriving and resilient economy

Tertiary education

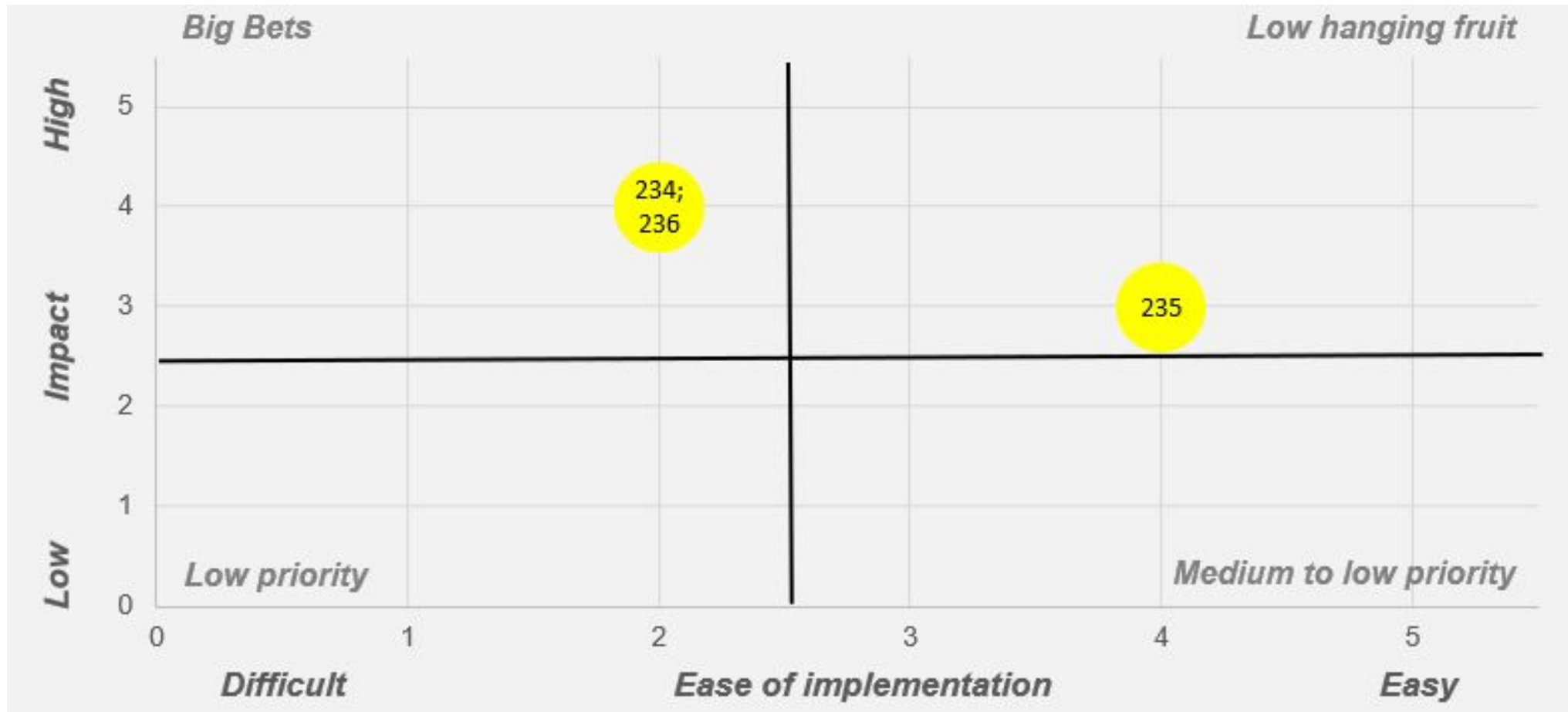
Tourism

Agriculture

Manufacturing

We have evaluated and mapped all initiatives under the “**manufacturing**” sector against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**manufacturing**” sector. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Manufacturing: Upskill the workforce and promote investment and innovation	Owner	Ministry of Education, Culture, Sport and Youth	Start	01/2025
Initiative ID: 234	Upskill Cyprus's manufacturing workforce skillset to prepare for Industry v.4.0 and a net zero and circular future			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">STEM related subjects are mostly in demand for employers in the light manufacturing sector, including in building equipment for the renewables industry (e.g. net meters, demand response systems, etc.). Cyprus's objective should be to continue to encourage the growth of STEM subjects at all levels (high school, vocational, tertiary).At the moment there is a lack of alignment between Cyprus's Vision 2035, which envisages the growth of the light manufacturing sector, and the national curriculum, particularly at the high-school, tertiary and vocational studies angle.Most STEM related subjects do not incorporate professional development compared to other best practice case studies. This means that Cyprus does not necessarily have the skills and experience base to nurture a light manufacturing sector.		<ul style="list-style-type: none">Deputy Ministry of Research, Innovation and Digital PolicyResearch and Innovation FoundationMinistry of Agriculture Rural Development and the EnvironmentLocal universities (e.g. UCY, CUT)		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 4, page 464Strategy for Attracting Businesses 2022-2024	
Key activities					
<ul style="list-style-type: none">Establish an Engineer in Residence Programme to existing STEM university programmes:<ul style="list-style-type: none">Local universities (e.g. Cyprus Institute of Technology) should partner with domestic and overseas manufacturing companies (in areas consistent with Vision 2035 i.e. greentech, renewable energy, ICT and agritech equipment and components) for either one term or one year (as part of the degree). Under this programme, one or more faculty members would mentor a group of students to work with a company which is critical for its survival. The intention would be for students to spend time and to interact with engineers, operators and other personnel to understand the problem faced, seek approval for solution implementation, and work with management to implement the solution. Doing so will ensure that Cypriot students gain on-hands experience in the manufacturing sector which will potentially help set up their future business in Cyprus.Re-establish a technical college. It is crucial that the Institute partners with corporates in the sectors of national priority consistent with Vision 2035.<ul style="list-style-type: none">Cyprus already had a Higher Technical Institute (HTI) in the past but was discontinued. Authorities should consider the reasons why the HTI was discontinued and learn from best practice from other countries.The courses on offer should be made up of two parts: basic education dealing with technical aspects and practical training held ideally at the premises of future employers.It is crucial that Cyprus could look to establish these vocational links either with neighbouring countries like Israel (agritech, ICT), Denmark (green technologies).In addition, HTI's management team should ensure that the Institute operates with modern teaching and management techniques and that these are updated frequently (similar perhaps to the model followed by the University of Cyprus)					
Expected impact	4	Ease of implementation	2	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	154 & 204

Initiative Area	Manufacturing: Upskill the workforce and promote investment and innovation	Owner	Ministry of Energy, Commerce and Industry	Start	01/2028
Initiative ID: 235	Promote investment and innovation in the manufacturing sector			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The manufacturing industry in Cyprus is characterised by a general lack of technology-enabled, modern, and energy efficient infrastructure and also the low awareness of the available digital solutions and their benefits, lead to relatively low productivity, innovation, and high-value production.Large and SMEs businesses in the manufacturing sector experienced a sharp deterioration of liquidity due to disruptions caused by the COVID-19 pandemic and containment measures. The lack of budgetary and funding capacities of enterprises, prevent them to invest in the infrastructure and renewal of their businessThe existing manufacturing businesses in Cyprus will face many challenges in the future as they will need to be more digital, reduce their greenhouse gas emissions and they will also need to increase their level of productivity via either via either upskilling their workforce (tackled through prior reform/investment items) or increasing capital expenditure on machinery and equipment.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthMinistry of Agriculture Rural Development and the EnvironmentDeputy Ministry of Research, Innovation and Digital PolicyUniversities and Educational Trade Unions		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investment 6, page 230Cyprus Recovery and Resilience Plan (RRP) - Component 3.1, Investment 7, page 231	
Key activities					
<ul style="list-style-type: none">Provide innovation vouchers to existing manufacturing businesses in Cyprus: These are grants to existing small and medium sized manufacturing businesses based in Cyprus to make their business processes more efficient. The entities applying for this grant can claim up to the 5,000 Euro towards the cost of expert advice. This could include advice on an innovation idea, learning more about using design within the business or how you should make the most of the intellectual property.Accelerated depreciation allowances: instead of the normal 20 percent, companies can claim 33.3 percent over three years for all plants and machinery; they may also claim 100 per cent in one year for prescribed automation equipment and robots, and certain environmental-related equipment.Perform a landscape study of the sector to identify who is manufacturing what, investment levels, and the level of modernisation in production methods (i.e. energy efficiency, outdated technology). It should identify leaders who can be used to share technical know-how.					
Expected impact		Ease of implementation		Budget	
3		4		TBD	
				Funding source	
				Consider whether funds from European Structural and Cohesion Funds (ESIF) can be utilised.	
				Case studies	
				N/A	
				Dependencies	
				N/A	

Initiative Area	Manufacturing: Establish the first eco industrial science park in South Eastern Europe	Owner	Ministry of Energy, Commerce and Industry	Start	01/2023
Initiative ID: 236	Design and craft special economic zones for manufacturing of green tech equipment			End	12/2024
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">At the moment there is a lack of alignment between Cyprus's Vision 2035, which envisages the growth of the light manufacturing sector. Currently, the size of Cyprus's economy and the structure of the market limit the potential for economies of scale. SMEs dominate Cyprus's aggregate manufacturing sector, with only 11 large companies with over 249 employees, while 88% of firms have nine or fewer employeesThe intention of these zones would be to create clusters, where foreign and local manufacturing entities co-exist, along with the presence of university research centre and a well-developed transport network.		<ul style="list-style-type: none">Ministry of Agriculture Rural Development and the EnvironmentMinistry of FinanceDeputy Ministry of Research, Innovation and Digital PolicyUniversities Research Centers		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.1. Investment 4. page 227	
Key activities					
<ul style="list-style-type: none">Consider potential tax exemptions:<ul style="list-style-type: none">To cover cost of job creation and potential training costs of staffExempt from VAT exports to third countriesReduce current operating expenses including on contracted services, energy, rent, administration for a limited period of time for foreign small and medium sized businessesPromote Partnering: request technical assistance either from the European Commission or from individual EU member states that are similar to Cyprus due to the lack of knowhow involved in undertaking such projectsFoster cooperation with CIPA for effective investment promotion:<ul style="list-style-type: none">Form a highly trained, very specialised and dedicated marketing and investment team, these specialised teams will target different segments of the manufacturing production process such as production, distribution, R&D, services etc.Emphasis should be given on internationally active manufacturing firms consistent with Vision 2035 and their suppliers to help form clusters (following a 'knocking door' approach).Create cluster formation and focus on anchor investor in the priority sectors with a cluster approach. Emphasis should be placed on mid-sized manufacturing firms in Israel or the European Union and their suppliers in the sector consistent with Vision 2035. The sectors and products that Cyprus could focus to manufacture are as follow:<ul style="list-style-type: none">Renewables: Assembly of solar panels, central and micro inverters, ballasted roof mounts, change controllers, storage systems, control and simulator boards, trackers, transformers, performance monitoring systemsAgritech: Equipment relating to Irrigation control, soil and cattle monitoring, farm asset management, cattle monitoring, auto-feeders, automated pump systems, shed-cleaning bots, hydroponic systemsICT: Precision engineering production: Original equipment manufacturers (OEM), smart sensors, back end semiconductor equipment, special purpose machinery (testing workstations, control systems), precision machining, mobile robotics, automotive control system, simple medical devicesEstablish an independent customs and logistics centre with complete functions of an 'inland' port and 24/7 services (e.g. by using Electronic Data Interchange systems). This means that goods shipments and processing at the ports is reduce from 3-4 days to 3-4 hours. This facility is usually set up and maintained by central government.Support aftercare services for foreign businesses that are located on the science park e.g. workers' visa delays or helping with any planning applications. They should be indefinite and free of charge.Promote matching supplier marketplace through matching the procurement needs of the business located on the science park with local suppliers who might be able to meet that need.					
Expected impact	4	Ease of implementation	2	Budget	
				Funds secured through the Recovery and Resilience Fund (RRF)	
				Funding source	
				Recovery and Resilience Fund (RRF)	
				Case studies	
				N/A	
				Dependencies	
				N/A	

3.3.17

Thriving and resilient economy

Maritime industry and shipping

Professional Services and ICT

We have evaluated and mapped all initiatives under the “**maritime and shipping**” sector against their expected impact and ease of implementation

In the chart below we present all initiatives falling specifically under the “**maritime and shipping**” sector. These have been evaluated and mapped against two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Maritime industry and shipping: Drive forward modernisation and cutting edge technologies	Owner	Deputy Ministry of Shipping	Start	06/2025
Initiative ID: 237	Enhance the competitiveness of Cyprus’ maritime industry			End	12/2026
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">Cyprus is in an ideal geographic location for becoming an international hub for shipping, connecting Europe, the Middle East and North Africa. Several activities need to be undertaken, as described below, in order to enhance the competitiveness of Cyprus’ maritime industry so that Cyprys can take advantage of of its ideal geographical location.		<ul style="list-style-type: none">Cyprus Shipping ChamberDeputy Ministry of Research, Innovation and Digital PolicyCyprus Marine and Maritime Institute (CMMI)Cyprus Ports Authority			
Key activities					
<ul style="list-style-type: none">Offer attractive port rates, tariffs and concessions to establish and maintain Cyprus as a stopover destination in trade. To attract further business to its ports, Cyprus should offer an attractive port charging scheme, e.g. lower ship and goods dues versus nearby competitors.Upskill the workforce. Develop and offer training programmes for port workers to upskill in both technical courses such as environmental science, marine engineering and data analysis, as well as soft skills such as management.Digitise the Deputy Ministry of Shipping making it the first government department to undergo transformation and an example to be followed.					
Expected impact	5	Ease of implementation	2	Budget	TBD
				Funding source	Some funds may be available through the Recovery and Resilience Fund (RRF). Consider other sources of funding.
				Case studies	N/A
				Dependencies	67

Initiative Area	Maritime industry and shipping: Drive forward modernisation and cutting edge technologies	Owner	Deputy Ministry of Shipping	Start	07/2026
Initiative ID: 238	Strengthen ties between the maritime sector and education with awareness of blue careers, incentives for blue R&I for universities and the creation of relevant curricula			End	12/2027
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">There are promising, high-paid careers available in the maritime industry, e.g. technical superintendent. However, there is limited awareness in the school system or among school career counsellors of these opportunities.		<ul style="list-style-type: none">Ministry of Education, Culture, Sport and YouthCyprus Marine and Maritime Institute (CMMI)Cyprus Shipping ChamberDeputy Ministry of Research, Innovation and Digital PolicyCyprus Ports AuthorityRepresentatives of higher education universitiesEmployers’ representatives (e.g. the Cyprus Employers and Industrialists Federation (OEB), Cyprus Chamber of Commerce and Industry (KEBE) etc.)Maritime sector skills council (if developed under ID138)Student Unions		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 1, page 452	
Key activities					
<ul style="list-style-type: none">Identify skills gaps in the maritime industry and tailor higher and further education training programmes to address the gaps.<ul style="list-style-type: none">Conduct an initial review of the labour market in the maritime industry, assessing the frequency of vacancy postings, how long vacancies are open for, and which occupations are frequently sought after.Discuss results of the assessment above with education providers in Cyprus.Strengthen ties between the maritime industry and education.<ul style="list-style-type: none">Create awareness about blue careers to school students by building on the efforts made by the Deputy Ministry of Shipping and the Cyprus Marine and Maritime Institute (CMMI). Additional activities could be organisation of field trips to ports and school visitations from maritime professionals.Provide incentives to academics to get involved in research and innovation programmes addressing the current challenges of the industry. None of Cyprus’s universities are currently part of the maritime consortium, which recently received €30 million from EU and national funds to establish the Cyprus Marine and Maritime Institute.Fund the development of curricula relevant to the fields of maritime informatics. The facilities of the upcoming Digital Innovation Hub, professionals from international shipping companies established in Cyprus, and regional marine and maritime research centers should be invited and incentivised to be part of the design and the delivery of the curriculums.					
Expected impact	4	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	67, 138 & 204

Initiative Area	Maritime industry and shipping: Drive forward modernisation and cutting edge technologies	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2023	Indicative links to other national plans / strategies / studies	
Initiative ID: 239	Accelerate the digital transformation with digitalisation of port process and, over the long-term, the integration of intelligent Internet of Things (IoT) solutions.			End	12/2026		
Context		Indicative contributing stakeholders		Budget			
<ul style="list-style-type: none">Cyprus should ensure the operations of the Cyprus Ports Authorities are performed efficiently and effectively and communication between the vessels and the relevant competent authorities are executed seamlessly and digitally. At the same time, improvements in monitoring vessel traffic in the whole of Cyprus waters, will ensure the safe navigation of vessels, reduce the risk of environmental damages due to spills from accidents and reduce vessel emissions by plotting more efficient routes.For the CPA to be able to adequately manage the new volume of traffic and legal requirements in relation to Information Security, the existing network, data security and server systems will need to be fully upgraded.As per the requirements of the Directive 2010/65/EU, CPA designed and developed the Port Community System (PCS). In 2019, the Single Window Regulation was issued, which replaces the RFD and further defines the requirements for National Single Windows. As such, CPA will need to proceed with the necessary updates on PCS to ensure compliance and increase the efficiency of the maritime transport sector and to reduce administrative burdens.A Vessel Traffic Station (VTS) is fully operational and covers traffic movement in Limassol Port, whilst Larnaca and Vasiliko Ports' traffic is not monitored by VTS. The International regulation IMO Resolution A.857 (20) - 'Guidelines for Vessel Traffic Services', define the requirements for the installation and usage of VTS, as well as its importance on ensuring the successful flow of ship traffic to and from ports, the protection of human life and of the environment.		<ul style="list-style-type: none">Deputy Ministry of ShippingCyprus Ports AuthorityCyprus Marine and Maritime Institute (CMMI)Statistical Service of Cyprus		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 4.2, Investment 2, page 442			
Key activities							
<ul style="list-style-type: none">Digitalise the processes of the ports of Cyprus– filing, forms, customs declarations – to be digitised, and where possible, automated.Upgrade the existing Information Technology (IT)/ Information Security (IS,) the infrastructure, hardware, and software of CPA and the Port Community System (PCS) aiming for the following:<ul style="list-style-type: none">alignment with the requirements of the Single Window Directive,encouragement of electronic communication between the relevant governmental departments,ships and ship agents, as well as port operators,avoidance of face-to-face interaction and time-consuming procedures that obstruct effective services on data transfer from and to shipsimprovement of the efficiency, attractiveness and environmental sustainability of the maritime transport and contribute to the integration of the sector to the digital multimodal logistic chainInstall the Vessel Traffic Station (VTS) in Larnaca and Vasiliko portsOver the long-term, ports in Cyprus should also seek to integrate intelligent solutions such as aquatic drones to collect data on ship and port conditions below the water line, high tech weather-instruments to provide accurate weather forecasts for docking schedules, and efficient models of cranes and trucks for transporting cargo. Large ports in Europe, e.g. the Port of Rotterdam – the largest in Europe by tonnage – are already beginning to trial these latest technologies. Cyprus should keep a close eye on the most effective port technologies being tested in other countries, and make investments where suitable.Make better use of marine and shipping data. Use data to monitor port operations and performance, analysing trends in destinations and origins of goods, cargo loads and sizes and fleet deployment, among others.				Funds secured through the Recovery and Resilience Fund (RRF)			
				Recovery and Resilience Fund (RRF)			
				Case studies			
				N/A			
				Dependencies			
				67			
Expected impact	3	Ease of implementation		4			

Initiative Area	Maritime industry and shipping: Drive forward modernisation and cutting edge technologies	Owner	Deputy Ministry Research, Innovation, & Digital Policy	Start	07/2027
Initiative ID: 240	Encourage Research and Innovation in the Cyprus Maritime and Shipping Industry			End	06/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">R&I expenditure as a percentage of GDP was 0.63% in 2018 – almost four times lower than the EU average.Cyprus ranks below peers such as Malta, Israel and Ireland in the Global Innovation Index (Soumitra Duttam Bruno Lanvin, Sacha Wunsch-Vincent, Global Entrepreneurship Monitor 2020, Who will Finance Innovation?, 2020.)The Maritime industry was identified as one of the priority areas for research and innovation in the Smart Specialisation Strategy for Cyprus,. However, currently, the smart specialisation strategy of Cyprus focuses only on the areas of managing, planning and developing ports and marine and coastal tourism.		<ul style="list-style-type: none">Deputy Ministry of ShippingMinistry of Transport, Communications and WorksCyprus Marine and Maritime Institute (CMMI)Cyprus Shipping Chamber		<ul style="list-style-type: none">Cyprus Recovery and Resilience Plan (RRP) - Component 3.2, Reform 1, page 279Smart specialisation strategy of Cyprus, page 219Cyprus Research & Innovation Strategy Framework, Enabler 2 “National R&I Strategy”, page 13	
Key activities					
<ul style="list-style-type: none">Increase national funds dedicated to research and innovation activities within the Marine and Maritime sector in Cyprus. Additional areas should be supported, such as Maritime Informatics and Decarbonisation of the maritime industry.Encourage cross-governmental collaboration in marine research. Relevant ministries, including the Ministry of Transport, Communications and Works, and the Deputy Ministry of Shipping, can work together to identify opportunities for the alignment of marine research that supports policymaking.Make best use of international funding mechanisms, e.g. the European Maritime Fisheries and Aquaculture Fund (EMFAF) and other funding opportunities awarded by the European Commission Directorate-General for Maritime Affairs and Fisheries.					
Expected impact	2	Ease of implementation	3	Budget	TBD
				Funding source	Consider funds from the European Maritime Fisheries and Aquaculture Fund (EMFAF) and other sources of funding
				Case studies	N/A
				Dependencies	N/A

Initiative Area	Maritime industry and shipping: Drive forward modernisation and cutting edge technologies	Owner	Deputy Ministry of Shipping	Start	01/2027
Initiative ID: 241	Promote sustainability in the maritime sector			End	12/2028
Context		Indicative contributing stakeholders		Indicative links to other national plans / strategies / studies	
<ul style="list-style-type: none">The concerns over the impact of the shipping industry on the environment have intensified over the last few years with policymakers, businesses and governments seeking to introduce initiatives to address these.The government should provide support to businesses to decarbonise and promote further research into marine biodiversity.		<ul style="list-style-type: none">Ministry of Energy, Commerce and IndustryCyprus Marine and Maritime Institute (CMMI)Cyprus Shipping Chamber		N/A	
Key activities					
<ul style="list-style-type: none">Provide support to companies to decarbonise:<ul style="list-style-type: none">Run workshops with companies to help them develop strategies for reaching net zero in line with national and EU targets.Identify best practice companies to use as case studies and as a basis for developing a net zero action plan.Mandate that an increasing share of fuel used by shipping companies must be green. This should be aligned to EU best practice and kept up to date to reflect the latest developments in technology and fuel composition. Set out a clear timeline for increasingly sustainable requirements.Promote further research into marine biodiversity and the preservation of marine ecosystems. This research should be fed into long term strategies to ensure best practice planning and management of ocean resources.					
Expected impact	3	Ease of implementation	3	Budget	TBD
				Funding source	TBD
				Case studies	N/A
				Dependencies	N/A

3.3.18

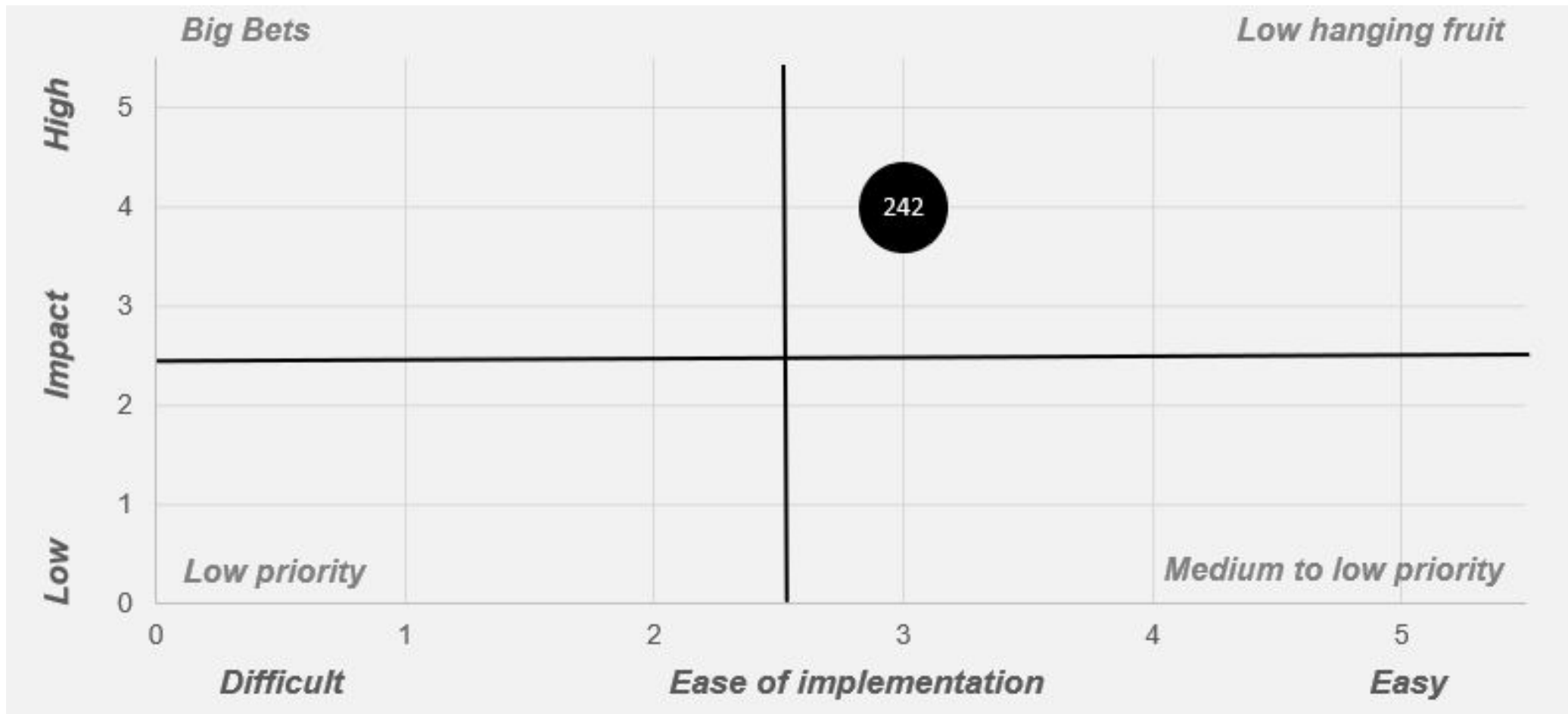
Thriving and resilient economy

Maritime industry and shipping

Professional Services and ICT

We have evaluated and mapped all initiatives under the “professional services and ICT” sector against their expected impact and ease of implementation

In the chart below we evaluate and map the initiatives falling specifically under the “professional services and ICT” sector on two key parameters 1) Expected impact of implementation and 2) Expected ease of implementation. Please refer to page 24 of this report for more details on the scoring and assessment criteria. This exercise aims to support the prioritisation and sequencing of the initiatives.



NB: The numbers inside the chart correspond to the initiative ID numbers as can be seen on the one-pagers in the next slides and on the action plan (xls format).

Initiative Area	Professional services and ICT: Growth will require progress on several horizontal areas	Owner	Deputy Ministry of Research, Innovation and Digital Policy	Start	01/2022
Initiative ID: 242	Grow Professional Services and ICT sectors			End	12/2024
Context		Indicative contributing stakeholders		Budget	
<ul style="list-style-type: none">The spread of digital has a significant impact on the structure of the labour market, creating new jobs, and new requirements. It leads to a growing need for more skilled ICT professionals in all sectors of the economy, as well as a need for digital skills for nearly all jobs where ICT complements existing tasksCyprus performance in digital maturity is low as measured by the EU's Digital Economy and Society Index (DESI). Cyprus ranks 24th out of the 28 EU Member States in the overall DESI index and 23rd on the Human capital component.Cyprus has embarked on its own digital transformation journey, accelerated by the Covid19 pandemic. Despite progress achieved, Cyprus still trails behind its peers in digital maturity and performanceProfessional services sector in Cyprus currently lacks the flexibility to capitalise on new opportunities. In order to grow the professional services and ICT sectors will require progress on several horizontal areas such as public sector, digitalisation, education, transparency, Europe's business hub, attracting the best talent, cleaner center for business		<ul style="list-style-type: none">Indicative key contributing stakeholders for each initiatives are shown on each respective initiative listed below		TBD	
Key activities				Funding source	
<ul style="list-style-type: none">Invest in technology. Support businesses to remain at the forefront of technological developments with workshops, demonstrations and practical training in areas like AI, that will be key to competitiveness and efficiency for professional services and ICT going forward. Key contributing stakeholders for this initiative will be: Office of Electronic Communications & Postal Regulations and Electronic Communication Network Operators Links to other national plans: Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Reform 5, page 466 Link to specific initiative: ID 63 Setup a National Testbed Program within the proposed Digital Strategy and Policy Unit of the Deputy Ministry that will be tasked with creating a plan for building Cyprus's national brand as an ideal testbed destination for Europe and the regionUpskill in emerging niche areas. Invest in new university, vocational and adult education courses in emerging areas like cyber security, green fintech, and ESG, that will expand Cyprus traditional service offerings to deliver additional value to clients and move towards high-value models. Key contributing stakeholders for this initiative will be: Ministry of Education, Culture, Sport and Youth, Cyprus Productivity Center, Human Resource Development Authority of Cyprus Links to other national plans: Cyprus Recovery and Resilience Plan (RRP) - Component 5.1, Investment 2, page 473 and Strategy for Attracting Businesses 2022-2024 Link to specific initiative: ID 139 Develop a long-term national skills strategy, ID 141 Update Cyprus's primary and secondary school curriculum to be fit for a modern workplace and Vision 2035Promote flexibility in working. Invest in co-working spaces for employees to be able to work remotely in a post-COVID world and also to attract the best talent through the proposed digital nomad programme. Ensure working practices in Cyprus as aligned to international trends in this area and invest in the digital equipment and infrastructure to enable this. Key contributing stakeholders for this initiative will be: Ministry of Labour, Welfare and Social Insurance, Human Resource Development Authority, Research and Innovation Foundation Links to other national plans: Cyprus Recovery and Resilience Plan (RRP) - Component 3.4, Reform 2, page 325 Link to specific initiative: ID 134 Create a holistic Digital Nomad ecosystem, ID 193 Expand flexible working practices across public and private sector organisationsFoster collaboration. Be open to learning from best practice and the experience of other countries and jurisdictions. Engage with international business networks, universities and policymakers and utilising the access and channels of collaboration that EU membership brings. Policymakers can assist this by integrating local and international firms through the proposed business hub initiatives (i.e. Digital Nomad community) and investment aftercare programmes. Key contributing stakeholders for this initiative will be: Research and Innovation Foundation, Invest Cyprus, Academia Link to specific initiative: ID 126 Implement an aftercare programme for foreign firms Links to other national plan: Strategy for Attracting Businesses 2022-2024Grow ESG credentials. Encourage and support companies to develop an ESG strategy through workshops, online resources, and training as iit will open up significant new opportunities and business in helping new clients with their own ESG transition. Key contributing stakeholders for this initiative will be: Ministry of Energy, Commerce and Industry, Ministry of Transport, Communication & Works Departments, Ministry of Agriculture Rural Development and the Environment, Cyprus Hydrocarbons Company Ltd Link to specific initiative: ID 86 Incentivise and support companies to make climate pledges and design transition plans				Case studies	
				N/A	
Expected impact	4	Ease of implementation	3	December 2021 330	

4

Appendix

4.1

Guide to initiative owners

Guide to initiative owners who will drive and manage the implementation of the initiatives to deliver Vision 2035

Each of the initiatives included in the action plan should be viewed and treated as a program - a collection of projects that are managed as a group to achieve efficiencies of scale - or a single project.

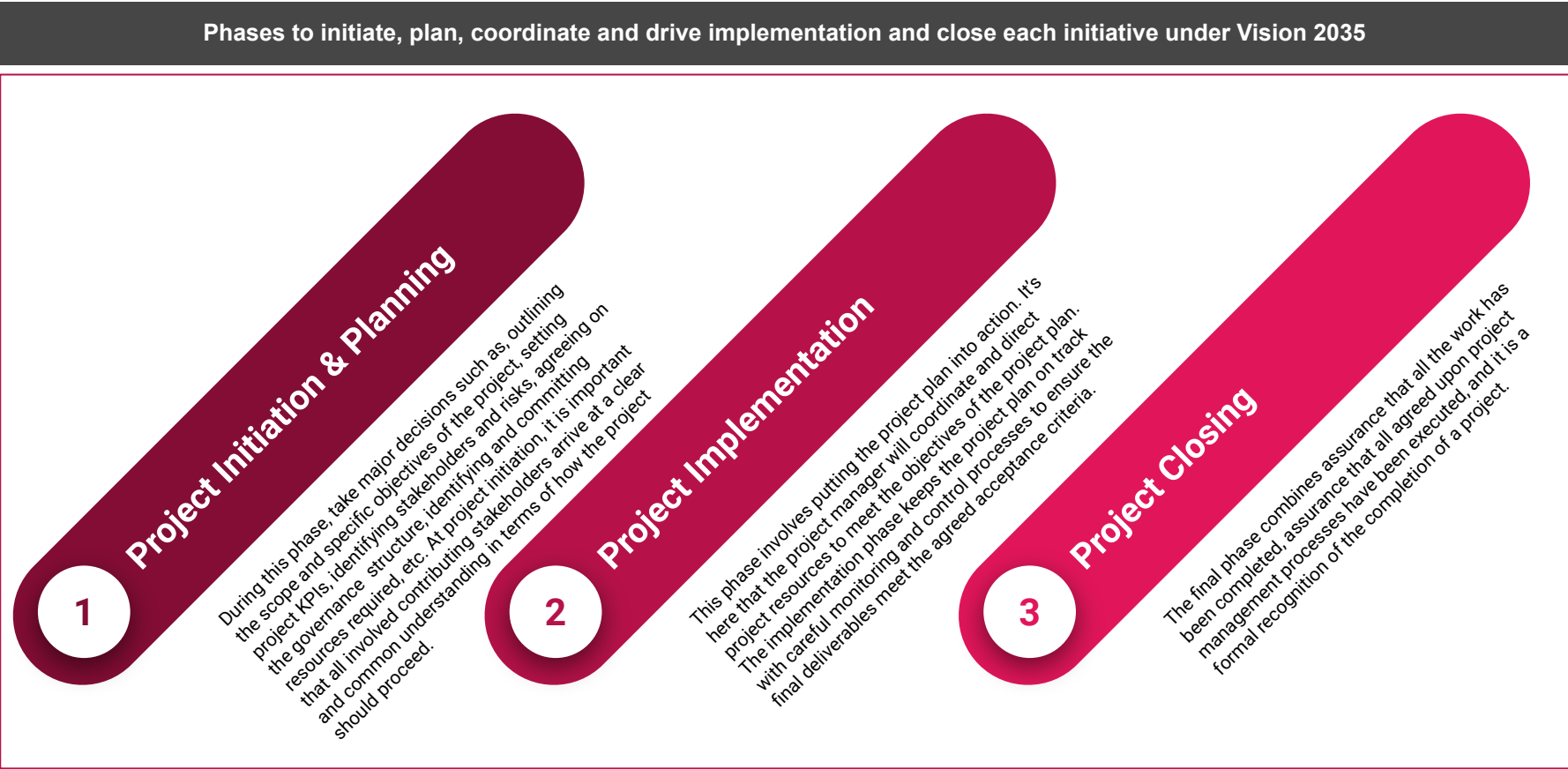
This brief introductory guide is aimed at initiative owners and provides guidance and key pointers on:

- Initiating and planning the initiative (Phase 1);
- Driving the implementation of the initiative (Phase 2);
- Closing the initiative (Phase 3).

In the slides that follow, all of the aforementioned phases are broken down into 17 areas that need to be considered and carefully designed and planned to ensure smooth and successful implementation..

The importance of project management can't be overstated. When it's done right, it allows resources to focus on the work that matters.

Although the initiatives are assigned a single owner responsible to coordinate, drive and manage implementation, it is the collective effort and commitment from all contributing stakeholders that will deliver successfully and timely each initiative and its intended outcomes.



Project Initiation and Planning

Project initiation and Planning is the first phase of the project management life cycle and is often what makes or breaks a project. During this phase, it is important to take major decisions such as, outlining the scope and specific objectives of the project, setting project KPIs, identifying stakeholders and risks, agreeing on the governance structure, identifying and committing resources required, etc. At project initiation, it is important that all involved contributing stakeholders arrive at a clear and common understanding in terms of how the project should proceed. During the project initiation and planning phase, perform the following activities:

1. Context and current situation

Collecting and synthesising information concerning the context of, and current situation surrounding, the project is essential in clearly and accurately determining its scope. As part of describing the context and current situation, aim to understand and map the internal and external environment within which it operates:

- Understand and document the internal and external environment surrounding and impacting the project;
- Consider the project rationale or project justification describing the history, how the idea was developed and the status quo that you want to change;
- Research and understand the current situation by gathering information and data from multiple sources. Other contributing stakeholders should provide their insights;
- Assess and document clearly and in a summarised manner the current situation and circumstances surrounding the project;
- Examine the link to other national strategic initiatives;
- Ensure this initiative is appropriately captured and reflected in the 3-year strategic plan of the Ministry leading the implementation.

3. Project KPIs

Key performance indicators (KPIs) help measure and monitor performance against set targets. As part of selecting and setting KPIs for the project, aim to:

- Identify the key elements of the project that require monitoring in order to ensure the success and timely completion of the project
- Select appropriate KPIs to measure and monitor these core elements to the project
- Set up KPIs by defining their method of measurement, sources of data, targets and thresholds (see example on the right)
- Develop a dashboard to support you in monitoring the project progress and results achieved

2. Scope and objectives

Project scope is the defined work that needs to be accomplished for a project and specifies what is to be included or excluded from the project. As part of defining and describing the scope and objectives of the project, aim to:

- Develop and clearly document the general and specific objectives of the project;
- Develop a comprehensive, end-to-end scope of the project:
 - Distinct phases and activities of the project;
 - Expected deliverables;
 - Indicative milestones and timeframes;
- Consider and document the expected outcomes through the implementation of the project to align all contributing stakeholders to common goals.

Indicator	Element evaluated	Formula and basic data to be collected	Target
Activities timeliness	Activities completed on time as per project plan	$Q1 = \text{NoD_on_time}$ NoD_on_time = Number of activities (36 in total) completed on time in the reference period	Q1=36
Project timeliness	Deliverables delivered on time as per project plan	$Q2 = \text{NoD_on_time}$ NoD_on_time = Number of deliverables (6 in total) completed on time in the reference period	Q2=8
Written deliverable quality	Written deliverables accepted with no critical comments	$Q3 = \text{NoD_no_cc}$ NoD_no_cc = Number of deliverables (6 in total) accepted by DG Reform and beneficiaries with no critical comments	Q3>6
Participation in interactive activities (interviews, workshops, etc.)	Number of participants outside PwC	$Q4 = \text{NoEP}$ NoEP = Number of external participants (outside PwC) engaged in the project	Q4>30
	Percentage of stakeholder participation	$Q5 = \text{NoP/NoI} \times 100$ NoP = Number of participants NoI = Number of invitees	Q5>80%
Suitability of interactive activities (interviews, workshops, etc.)	Feedback and evaluation from participants	$Q6 = \text{NoEx_R/NoR} \times 100$ NoEx_R = Number of excellent and very good feedback rating following each interactive activity NoR = Total number of feedbacks received	Q6>85%
Quality and supply of PwC personnel	Number of resources replaced	$Q7 = \text{NoR/NoEx} \times 100$ NoR = Number of resources replaced on request of the DG Reform or beneficiaries NoE = Total number of active members	Q7<5%
Best practice contributions	Number of exchanges with EU Member States in the area of Social Insurance	$Q8 = \text{NoBPE}$ NoBPE = Number of knowledge exchanges with different EU Member States in the area of Social Insurance	Q8>3

Project Initiation and Planning *(continue)*

Project initiation and Planning is the first phase of the project management life cycle and is often what makes or breaks a project. During this phase, it is important to take major decisions such as, outlining the scope and specific objectives of the project, setting project KPIs, identifying stakeholders and risks, agreeing on the governance structure, identifying and committing resources required, etc. At project initiation, it is important that all involved contributing stakeholders arrive at a clear and common understanding in terms of how the project should proceed. During the project initiation and planning phase, perform the following activities:

4. Risks and issues

Project risk is an uncertain event or condition that, if it occurs, has a positive or negative effect on the project's progress and delivery against set objectives. As part of the initial identification and mapping of risks and issues surrounding the project, aim to:

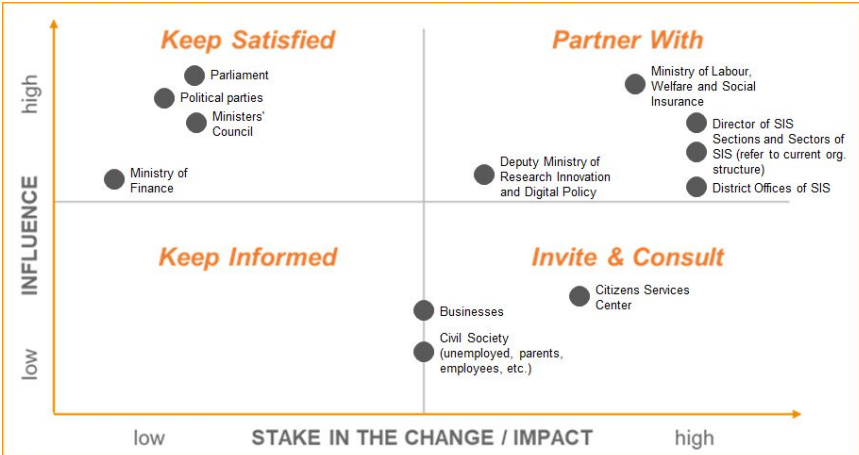
- Identify risks and issues that may derail the smooth and successful completion of the project. Other contributing stakeholders should provide their insights;
- Assess each risk and issue and assign an indicative probability of occurrence and expected impact so as to prioritise them;
- Consider and document mitigation actions for each risk and issue identified;
- Document everything in a Risk Registry (see example on the right).

Risk	Likelihood	Potential Impact	Risk Score	Proposed Mitigation
Delay in the receipt of information requested.	Fairly likely	Moderate	Medium	PwC will prepare an information request list to be discussed in the kick-off meeting to ensure timely reception of all information.
Managing a large number of stakeholders.	Certain	Moderate	High	PwC will identify stakeholder groups at project commencement and carefully design the plan of interactive activities. PwC will communicate regularly with the SG to ensure any stakeholder issues are raised and addressed timely.
Varying views, interests and desired goals (motivations) amongst stakeholders.	Almost certain	Moderate	High	PwC will create a stakeholder matrix and will take a tailored approach to managing and communicating with each stakeholder group.
Large number of interactive activities with stakeholders are envisaged throughout the project.	Almost certain	Moderate	High	PwC will organise and execute targeted interactive activities so that time and effort is placed in gaining trust and traction with stakeholders.
The involved parties may have different understanding of the scope of the project.	Unlikely	Critical	Medium	PwC will prepare a detailed project objectives, plan and approach to be discussed and agreed during the kick-off meeting. Thereafter, any scope deviations or concerns will be raised and discussed during the regular progress calls and reports.

5. Stakeholders

As part of the initial identification and mapping of stakeholders that have a stake in the project and may contribute, influence or be impacted by the project, aim to:

- Identify stakeholders that are likely to have some influence or stake in the change underpinned by the project;
- Categorise stakeholders based on their individual levels of influence and stake in the change (impact);
- Map the identified stakeholders on a chart (see example on the right) to help you visualise the stakeholder landscape;
- Develop an appropriate communication plan to engage all identified stakeholders throughout the project implementation. The interactive activities planned should aim to ensure you keep them informed and satisfied, you involve, consult and partner with them as needed to ensure successful implementation and ongoing acceptance and adoption of the results of the project.



Project Initiation and Planning (*continue*)

Project initiation and Planning is the first phase of the project management life cycle and is often what makes or breaks a project. During this phase, it is important to take major decisions such as, outlining the scope and specific objectives of the project, setting project KPIs, identifying stakeholders and risks, agreeing on the governance structure, identifying and committing resources required, etc. At project initiation, it is important that all involved contributing stakeholders arrive at a clear and common understanding in terms of how the project should proceed. During the project initiation and planning phase, perform the following activities:

6. Governance

Project governance is the management framework within which project decisions are made. It is critical to the success of a project as it clearly defines the roles and responsibilities and mechanisms through which decisions are made throughout the life of the project. As part of setting up the governance structure of the project, aim to:

- Identify the appropriate decision-makers within the initiative owner and all contributing stakeholders;
- Consider and agree on an appropriate governance structure (incl. Steering group of the project), which brings together in an effective and efficient manner all the decision-makers;
- Lay out and agree on the “rules of engagement” between the parties comprising the governance structure;
- Agree on the reporting requirements throughout the project implementation (i.e. who should receive reporting, frequency, format, etc.).

8. Costing

Cost estimates forecast the amount of money needed to complete a project. Accurate project costing is crucial given the limited resources available to deliver all initiatives under Vision 2035. As part of costing a project, aim to:

- Breakdown the project into distinct activities (see “Scope and objectives” above)
- Identify the “cost areas” such as labour, equipment and materials, professional services that you need to procure, software, hardware, etc. for each project activity
- Calculate cost per cost area identified. On the total project cost, add some contingencies to account for errors;
- Clearly state any assumptions used in the estimation of the cost
- Seek sense-checking and verification of estimations and assumption from counterparts who may have lead similar projects in the near past.

7. Resourcing

Project resources are anything that is necessary for the project to be completed. Without them, it's impossible for a project to be completed successfully. A key element of a project's planning phase is centered on the identification of resource requirements and how they will be allocated. As part of resourcing the project, aim to:

- Identify the fields and types of expertise needed to deliver against stated project objectives. Other contributing stakeholders should provide their insights;
- Identify appropriate professionals from each field and type of expertise. This should be done in close collaboration and coordination with each contributing stakeholder;
- Communicate with identified professionals with an aim to gain their commitment in supporting the delivery of the project;
- Formalise the team structure assigning clear roles and responsibilities and agreeing the “rules of engagement” between professionals comprising the project team;
- Identify and other resources required to complete successfully the project (e.g. equipment) and secure it.

9. Funding

Identifying and securing funding for the implementation of a project is a critical step to be performed during the initiation and planning phase. At times, it requires significant time to secure funding needed therefore, this step needs to be taken proactively. Aim to:

- Research and identify appropriate sources of funding (e.g. national budget, RRF, TSI, ESIF, etc.);
- Submit a request through the applicable mechanisms to secure funding through the identified source(s) of funding;
- Ensure this initiative is appropriately captured and reflected in the 3-year strategic plan of the Ministry leading the implementation.

Project Implementation

Project implementation is the second phase of the project management life cycle and it involves putting the project plan into action. It's here that the project manager will coordinate and direct project resources to meet the objectives of the project plan. The implementation phase keeps the project plan on track with careful monitoring and control processes to ensure the final deliverables meet the agreed acceptance criteria. During project implementation perform the following activities:

10. Project plan

Project plan is a formal and approved document used to guide both project execution and project control. The project plan facilitates communication among project stakeholders and clearly shows the approved scope and schedule baselines. For the project plan, aim to:

- Develop the action plan for the implementation of the project showing the project's distinct phases and actions. For each action show the owner, expected start and end days (timeframe), milestones and dependencies between actions. See example on the right.
- The initiative owner must monitor the project in alignment to the project plan and when needed revise the project plan to ensure it reflects the current circumstances of the project (e.g. any delays are properly captured, any changes to ownership are reflected)
- Periodically present the most up-to-date project plan to the project team and decision-makers to align on progress, issues, etc. surrounding the project.

11. Risk management

Following from the project initiation and planning phase, the initiative owner must embed risk and issue management in its ongoing project management processes with the aim to continuously monitor and update the risk registry, proactively manage and mitigate risks and issues and take necessary corrective actions. Aim to:

- Develop a detailed risk registry (detailing the risks, descriptions, expected impact, probability of occurrence, mitigating actions, decisions made concerning the risk);
- Monitor the risks and issues identified;
- Identify, agree and proactively drive mitigating actions;
- Report periodically the risks and issues identified to the Steering Group of the project.

	11-Oct	18-Oct	25-Oct	1-Nov	8-Nov	15-Nov	22-Nov	29-Nov	6-Dec	13-Dec
Phase 6										
Preparation of first draft action plan (xls)										
Workshops on action plan										
Report: Action plan for the implementation of the long-term strategy	first submission (15/10)				receive comments by SG		final submission			
Presentation to the SG			TBD based on SG availability							
Meeting minutes			1 week following SG meeting							
Phase 7										
Focus groups			TBD based on comms expert and stakeholders' invitees availability							
Report: Outline of the communication strategy for the implementation of the new economic model					first submission		receive comments by SG		final submission	
Phase 8										
Report: Presentation of the deliverables, challenges encountered, the main achievements and lesson learnt								submission		
Final presentation to the SG									TBD based on SG avail	

12. Stakeholder management

Following from the project initiation and planning phase, the initiative owner must embed stakeholder management in its ongoing project management processes with the aim to engage and interact with all identified stakeholders throughout the implementation of the project. Aim to:

- Update the stakeholder map (as described in the project initiation and planning phase) as needed to comprehensively cover all stakeholders with a stake on the project;
- Develop a detailed stakeholder engagement plan (could be part of the project plan) aimed at engaging stakeholders depending on their level of influence and stake in the project (inform, keep satisfied, consult, partner) throughout the course of the project;
- Report periodically to the Steering Group of the project on stakeholder engagement activities and proactively seek for support on engaging and aligning with key stakeholders.

Project Implementation (continue)

Project implementation is the second phase of the project management life cycle and it involves putting the project plan into action. It's here that the project manager will coordinate and direct project resources to meet the objectives of the project plan. The implementation phase keeps the project plan on track with careful monitoring and control processes to ensure the final deliverables meet the agreed acceptance criteria. During project implementation perform the following activities:

13. Progress update & reporting

The purpose of Project Progress Report is to provide the Steering Group and possibly other stakeholders with a summary of the project status at regular intervals. The report compiles various data to compare the project achievements to date with the initial project plan. Aim to:

- Develop a standardised Project Progress Report to include the overall RAG (red/amber/green) status based on the overall project progress, activities fully completed to date, list of upcoming activities, risks and issues identified that may materialise, decisions to be made by the Steering Group;
- Update the Project Progress Report, submit, present and discuss it with project team and the Steering Group at pre-agreed intervals;
- Reporting requirements (i.e. who should receive reporting, frequency, format, content) should be agreed during the project initiation and planning phase with the Steering Group. Indicative KPIs that could be used for reporting progress and performance against the initiative are provided in appendix 4.5 (page 404).

Completed / In-progress items			Open items / decision needed	
Phase / Tasks	Status	Delivery	#	Items
Report 6: Action plan for implementation			1	Agree approach and outline of Phase 7 Communication strategy
Development and submission of initial action plan (xls)	Completed	22 Jul	2	Organise meetings with the SG until Project Completion to secure availability
Development and submission of revised action plan (xls)	Completed	10 Aug		
Perform workshops with Marina and Irene to receive input on action plan	Completed	23, 24, 25 Aug		
Development and submission of Phase 6 report	In progress	15 Oct		

Upcoming items			Risks & Issues	
Phase / Tasks	Status	Planned Delivery	Item	Notes
Report 6: Action plan for implementation			(I) Approx. 3 months delay based on contract signing date and timeline projections.	Contract with EC ends on 13.12.2021
Develop presentation of Phase 6 to the SG	Not started	18-22 Oct	(R) Availability of stakeholders for Phase 7	Focus groups with communications expert
Presentation of Phase 6 to the SG	Not started	25-29 Oct		
Preparation and submission of meeting minutes	Not started	1-5 Nov	(R) Further delay in the completion of Phase 6, 7 and 8 based on SG availability and provision of written feedback.	
Revise and finalise phase 6 report based on feedback	Not started	By 26 Nov		

14. Performance management

Performance management is the process of ensuring that a set of activities and outputs meets the organization's goals in an effective and efficient manner. Performance management here focuses only on the project and achieving its expected outcomes/objectives. Aim to:

- Following from the project initiation and planning phase, the initiative owner must embed performance management through measurement and monitoring of KPIs in its ongoing project management processes. Initiative-specific output KPIs for monitoring individual initiatives are provided in appendix 4.5 (page 404).
- Periodically measure and monitor the agreed KPIs and summarise results in a dashboard to be submitted, presented and discussed with the Steering Group at predetermined intervals.
- Develop the project financials tracker including data such as, the initiative forecast, the actuals to date, calculate any deltas and show inflows of funding, etc.
- Monitor and manage the project financials. summarise results in a dashboard to the submitted, presented and discussed with the Steering Group at predetermined intervals.
- When reporting to the Steering Group, flag clearly and issues or risks and clarify what decisions need to be made to keep the project moving forward.

Project Closing

Project closing is the final phase of the project management life cycle. It combines assurance that all the work has been completed, assurance that all agreed upon project management processes have been executed, and it is a formal recognition of the completion of a project. During project closing perform the following activities:

15. Project summary

At project completion, it is important to summarise the project in a simple yet comprehensive manner. Aim to develop a project summary to clearly outline the following elements of the project:

- Purpose;
- Scope;
- Objectives;
- Approach;
- Outcomes achieved;
- Cost;
- Lessons learnt.

16. Communication

At project completion, it is important to collect some information regarding the communication of the project and its results internally (public and wider public sector) and externally (Cyprus society and internationally). Aim to:

- Develop targeted communication messages to promote the results of the project to the public;
- Develop targeted communication messages to present the project to the public and wider public sector (as part of promoting and transferring knowledge);
- Showcase the highlights of the project (through story-telling).

17. Project hand-over and ongoing considerations

It is possible that some initiatives may need to be handed over to another competent authority once completed. In this event, aim to:

- Prepare material necessary to hand-over the initiative, including purpose, scope, objectives, approach, working documents, deliverables, outcomes achieved, cost incurred, lessons learnt, etc.;
- Arrange hand-over session(s) with the project manager and project team (if already determined) who will take over the initiative.

For such initiatives, it is important to engage, involve and keep informed the stakeholder who will be taking over at initiation completion to ensure alignment and continuity.

Also, some initiatives relate to the design and build / set up of something (e.g. new body, processes, etc.) that will run thereafter on an ongoing basis. For such initiatives, aim to embed performance review, assessment and improvement processes in the business-as-usual processes of the organisation.

4.2

Case studies



Case study: UN's System of Environmental Economic Accounting (SEEA)

- The SEEA is a guide to integrating economic, environmental and social data into a single, coherent framework for holistic decision-making. It contains the internationally agreed standard concepts, definitions, classifications, accounting rules and tables for producing internationally comparable statistics and accounts.
- It is a flexible system that can be adapted to countries' priorities and policy needs while at the same time providing a common framework, concepts, terms and definitions.
- Over 90 countries have compiled SEEA accounts, including Cyprus as part of the EU.



Case study: UK The Green Book

- The Green Book is guidance issued by the UK's HM Treasury on how to appraise policies, programmes and projects. It also provides guidance on the design and use of monitoring and evaluation before, during and after implementation.¹
- Appraisal of alternative policy options is an inseparable part of policy development. The guidance is for all public servants concerned with proposals for the use of public resources, not just for analysts.
- The key specialisms involved in public policy creation and delivery, from policy at a strategic level to analysis, commercial strategy, procurement, finance, and implementation must work together from the outset to deliver best public value.
- The Treasury's five case model is the means of developing proposals in a holistic way that optimises the social/public value from public resources.
- The Green Book is not a mechanical or deterministic decision-making device. It provides approved thinking models and methods to support the provision of advice to clarify the social – or public – welfare costs, benefits, and trade-offs of alternative policy options.
- **The international edition** of guidance supports professional accreditation and training programme which are available worldwide. It is best practice methodology for developing proposals to scope, analyse, plan, procure and manage delivery of policies and projects to achieve best value.



Case study: Singapore

Civil Service Training in Singapore

The Singapore public sector employs some 127,000 officers in 15 ministries in addition to over 50 independent government agencies with about 76,000 officers. At the heart of this sprawling organisation is the Civil Service College, a dedicated training institution for the upskilling and learning of public servants. The College plays a critical role in building skills and capabilities, and supporting government officials to acquire the competencies required for a modern and dynamic public service.

The Civil Service College offers over 150 courses for professional development. Each year, it sees over 30,000 unique classroom participants in person and close to 100,000 unique students online.

Some of its priority areas for 2019/20 were:

- **Enhancing transformation leadership** – the CSC launched the Learn to Lead Programme for new manager, a modular programme with online and in-person components to help participants navigate the transition into a supervisory role
- **Workforce development and upskilling** – launched programmes such as ‘Leading Digital Transformation’ to equip directors with the skills to drive value creation with digital strategies
- **Support public service culture on learning and innovation** – launched an experimental sandbox, INN x CSC, where public officers can come together to brainstorm, experiment and try out new ideas

Source: Civil Service College Singapore, Annual Report 2019-2020, 2020.



Case study: UK

Institute for Government (IoG) think tank

The Institute for Government is the UK's leading think tank working to make government more effective. It provides rigorous research and analysis, topical commentary and public events to explore the key challenges facing government. It offers a space for discussion and fresh thinking to help senior politicians and civil servants think differently and bring about change.

- **Practical research and learning:** research focuses on the big governance challenges of the day and on finding new ways to help government improve, rethink and sometimes see things differently.
- **Learning and development:** IoG's inspirational learning and development programme provides a range of opportunities to help ministers, senior civil servants and their teams to govern and lead more effectively. They help ministers, special advisers and top officials to develop further the skills and behaviours required to govern effectively, and to help opposition parties to become better prepared for political transitions and government.
- **Events:** Their events support our research and learning programmes and provide platforms for leading international experts to exchange ideas and share new thinking on effective government. For example, recent events and live streams include:
 - How can the civil service develop the right skills?
 - The coronavirus crisis – one year on: in conversation with Tony Blair
 - Public services after the pandemic: how to scale up successful changes
 - Tax policy in the real world: in conversation with former chancellors
 - How to be a Prime Minister
- **Expert advice:** IoG provide practical advice from people with in-depth experience of working inside government to support senior decision makers to improve performance.
- **Ministers Reflect** is the Institute for Government's unique archive of interviews with former Conservative, Labour and Liberal Democrat ministers. It is designed to record – in their own words – what it takes to be an effective minister, the challenges they face and what more can be done to support them in driving forward policy objectives.



Case study: UK Nightingale courts

- In March 2020, almost half of all UK courts closed and jury trials paused to minimise social interaction between court users. Since then, court staff, legal professionals, and the judiciary collaborated to prioritise cases and keep the justice system running throughout the lockdown – with up to 90% of all hearings using remote technology during the pandemic.
- In July 2020, the UK government announced that it would be opening ‘Nightingale courts’ as part of its court recovery plan to address the impact of coronavirus on the justice system and reduce the backlog of cases that arose from closures during lockdown.
- To date, 30 Nightingale courts have opened.
- Additional measures included opening courts for longer to increase the number of cases that can be heard safely on any given day, and continuing to use video technology to hear cases where appropriate. Indeed, a major £142 million investment across the courts system has been announced to speed up technological improvements and modernise courtrooms.



Case study: Ireland

Enterprise Ireland

- Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets. It works in partnership with Irish enterprises to help them start, grow, innovate and win export sales in global markets.
- Its mandate and functions are broad, including helping companies secure funding, supporting them with their R&D, and management advice.
- Regarding export promotion, Enterprise Ireland does the following:
 - **Export development:** It works with businesses to help them scale and expand reach into new export markets. To support companies in assessing export capability, it has developed an online export preparedness scorecard to help companies to determine capability to develop and implement an export led business plan.
 - **Market research centre:** Enterprise Ireland has purchased world class market research reports on behalf of its clients.
 - **Training and mentoring:** It offers customised sales training and access to experts to bolster and develop international selling skills
 - **Trade events:** It runs a programme of trade missions, trade fairs and knowledge events to give clients the opportunity to connect with existing and new customers, access key decision makers, increase sales in international markets and exchange ideas



Case study: Ireland

Financial Instruments co-funded by the European Structural Investment Funds

European Agricultural Fund for Rural Development (EAFRD) Loan Fund for agriculture in the Friuli Venezia Giulia Region in Italy

The EAFRD Loan Fund was established in 2018 to address the market failure in the agriculture and agri-food business in the region. The financial instrument was set up with a capital of EUR 93 million. It provides subsidized loans for investments in processing, marketing and developing new agricultural products and for improving the performance and competitiveness of agricultural enterprises. Loans are provided to final recipients through four local financial intermediaries. By October 2020, 443 Agricultural enterprises were supported by nearly EUR 95 million of subsidized loans.

IBB MirkoCrowd programme, Berlin

Under the IBB MikroCrowd programme, the Investitionsbank Berlin provides low-interest micro-loans of up to EUR 25,000. Additional funding is provided via the Startnext crowdfunding platform. By combining this with crowdfunding, additional supporters can be gained for financing and feedback can be gathered from potential customers regarding market acceptance. The programme is co-financed with the European Regional Development Fund.

Financial Instrument for Urban Rehabilitation and Revitalisation (IFRRU 2020)

IFRRU 2020 supports energy efficiency measures complementary to urban rehabilitation interventions through loans and guarantees. The financial instrument provides EUR 1.4 billion acquired by various financial sources; the European Structural Funds, the European Investment Bank, the Council of Europe Development Bank and commercial banking funds. The loans offered are composed of up to 50% public funds, with interest rates below market values, maturity of up to 20 years, and a grace period of the investment duration, plus six months (up to four years). Guarantees are used to facilitate loans for riskier projects, covering up to 70% of the loan value. Before submitting the application to the intermediary commercial banks, the municipality in which they are located assess the proposal. In addition, energy certification is held to determine the effectiveness of the proposed intervention.



Case study: Finland

Government strategy department

- **Government report on the future** – Once during each electoral period, the Government submits to Parliament a report on the future focusing on long-term perspectives. Each report is restricted to key strategic issues relative to policy decisions to be taken in a 10-20 year period. The aim is also to encourage broad debate in society.
- **Government foresight group** – The Government Foresight Group lends support to national foresight work and aims to help forge a connection between foresight and decision-making processes.
- **National foresight network** – The network brings together Finnish foresight data producers and is a discussion and coordination forum for national foresight actors. It aims to promote the use of information and futures perspectives in decision-making. The purpose is to foster public discussion, research and decisions on the new challenges and opportunities facing Finnish society. The national foresight network is coordinated by the Prime Minister's Office and Sitra, the Finnish Innovation Fund. The national foresight network organises meetings called Foresight Fridays. The themes and contents of these meetings vary and include foresight presentations, courses and networking.



Case study: UK

University spin offs in the UK

UK universities are almost all charitable bodies, required to comply with charity law, meaning their objectives are research, teaching and scholarship and the application of new knowledge arising from these activities. To help align the commercialisation of intellectual property originating from universities with the charitable objectives of universities, a Technology Transfer Office is used. Originating in the US, a TTO aims to identify, protect and transfer knowledge created in universities out to businesses, where it can be developed into products and services to benefit society.

The objective of a TTO is to negotiate a fair and equitable share of the financial benefits of commercialisation of the intellectual property, which can then be used to reinvest in the university and its research.

TTOs can be part of university administration, a wholly owned subsidiary company, or a contracted out service, although this is less common. The TTO provides a central resource of trained and experienced professionals who can provide expert support to their academic partners.



Case study: Finland

Entrepreneurial education

A Finnish student receives, on average, 12 years of entrepreneurship education programmes as part of the compulsory education system and from three to seven additional years linked to non-compulsory education. The entrepreneurship curriculum is based on learning-by-doing and creativity, and is underpinned by a positive entrepreneurial culture and climate of attitudes both nationally and regionally. The system also extends the concept of entrepreneurship from the traditional perspective related to starting up a new enterprise, to entrepreneurship as a positive proactive 'attitude' towards new ideas, the solving of existing problems or the improvement of everyday life, either within enterprises themselves (the so-called concept of 'intrapreneurship') or in real-life situations. The strategy is underpinned by strong teacher training in the curriculum.

- **Primary education:** The main goals at this stage are to make students understand entrepreneurship as a general concept, encourage a readiness to take responsibility, strengthen the self-image of students, and encourage them to interact successfully with others.
- **Secondary education:** Aged 12-16, the main goals are to strengthen the capabilities of students to participate and influence society from different perspectives (political, economic, cultural and so on), where society is defined from a wide perspective (local, national, European and global). At this stage, the focus is on understanding the value of work, the importance of self-motivation, autonomy, and the role of entrepreneurship in society.
- **Vocational education:** For those aged 16-19 in vocational education, students are encouraged to develop enterprise-related ideas, stressing the cooperation with external enterprises and other relevant stakeholders and networks. All Finnish Initial Vocational Education and Training (IVET) qualifications include at least five weeks of study of entrepreneurship and business studies.



What is EU best practice for e-commerce?

There are rules and guidance set in place by the EU to break down online barriers. The goal is to enable people to enjoy full access to all goods and services offered online by businesses in the EU, no matter where they are in the Union. Rules include:²

- **Making cross-border parcel deliveries cheaper:** While there is no cap on delivery prices, businesses must disclose their prices clearly so that consumers are able to easily compare options. National authorities should collect information every year from parcel delivery companies and assess where tariffs are unreasonably high.
- **Protecting the rights of online consumers:** New rules for digital contracts have been proposed for implementation at the end of 2021. These rules will create clearer rights for consumers when accessing digital content and services, for example when an order is not received as promised or a wrong or damaged product is sent.
- The EU has also implemented programmes targeting specific issues in the postal sector. For example, Cyprus Post participated in the EU's INNOV'AGE Project, which was designed to facilitate age management and tackle the postal sector-specific age pyramid and promote multigenerational diversity.³

² EU Digital Strategy, e-Commerce rules in the EU.

³ European Commission, INNOV'AGE Project in a nutshell.



Case study: Solar Together London

- Solar Together London, a pilot project launched in March 2018, is a reverse auction where the roles of seller and buyer are reversed compared to a usual auction.¹
- Multiple buyers state their intention to purchase solar panels, and their demand is pooled together, or aggregated, typically by one organisation so they become a single buyer. The sellers need to compete to sell high quality solar panels to the aggregated buyers, with the lowest priced bidder winning.
- This form of collective purchasing helps to reduce costs, drive up quality and take the hassle out of buying solar panels compared to buying separately.
- A similar scheme in Norfolk, UK, has successfully aggregated demand for solar PV installations and driven down costs through economies of scale.
- The scheme is estimated to have increased installation rates by 83 per cent, and saved households an average of 16 per cent on the installation cost of solar PV.

¹ Mayor of London, Solar Action Plan for London, 2018.



Case study: USA California's solar panel mandates

As one of the avenues the State takes to combat climate change, California was the first state in the US to make solar panels mandatory for newly built houses. With effect from 1st January 2020, all new houses and multi-family residences that are up to three stories high must be built with solar panels. The mandate will add more financial burden to house owners, however, according to California's Energy Commission (CEC), although the solar addition will result in an extra monthly mortgage payment of \$40, the new homeowners will save an average of \$80 a month on electricity costs.

There are a few types of new residential construction that are exempt from the code. For examples, properties with a small enough roof or those that receive an abundance of shade may be exempt from installing a PV system. Where solar is not suitable, house owners can join a community solar project or receive efficiency upgrades that compensate, so long as they get approved from both the California Clean Energy Commission (CEC) and the local utility company. Any community solar project offered must offer similar benefits to the homeowner that a rooftop or ground-mounted system located on their property would provide.

The specific effect of the mandate to the economy remains uncertain. The CEC's own modelling expects 74,000 new installations at an average system size of 3 kW in 2020, meaning an additional 219 MW of solar. This big boost to the residential solar industry was expected to radically expand the rooftop solar market, drive down residential solar costs through economies of scale, push technological innovation, and create jobs.



Case study:

Singapore test bed for floating solar PV

- In 2016, as part of Singapore's vision to be a model for green innovations across Asia and the world, the authorities began a project to test out 10 solar panel systems on the largest floating solar testbed in the world.
- Singapore's Economic Development Board (EDB) and Public Utilities Board (PUB) evaluated companies to participate. Eight enterprises from small local companies to large international corporations are participating in the \$11 million project.
- The Solar Energy Research Institute of Singapore (SERIS) will help evaluate the different systems in the testbed.
- In a press statement, the EDB stated, 'We have identified floating solar capabilities as a key focus for us. It's about grooming our local companies; it's about attracting international companies to come here to co-innovate with us.'



Carbon Disclosure Project

- The Carbon Disclosure Project (CDP) is a not-for-profit charity that runs a global disclosure system for investors, companies, cities and governments to manage their environmental impacts. It is considered the gold standard of environmental reporting.
- Each year, the CDP supports thousands of companies, cities and regions to measure and manage their risks and opportunities on climate change, water security and deforestation. An independent scoring methodology is used to measure corporate and city progress towards environmental leadership. To date, over 130 states and regions, 800 cities, and 9,500 companies have reported through CDP.



Carbon Disclosure Project

- The Climate Pledge, founded by Amazon and Global Optimism, is a call to action for companies to achieve net zero by 2040. By signing the Climate Pledge, businesses commit to:
 1. Regular reporting on emissions
 2. Implementing decarbonisation strategies in line with the Paris Agreement
 3. Neutralising any remaining emissions through credible offsetsTo date, there are 53 signatories from around the world, including Microsoft, Unilever, and IBM.



Case study: Finland

Environmental education and the global Eco-Schools programme

Finland's Environmental education (EE) and sustainable development education aims to equip students with the awareness, knowledge and skills to consider environmental sustainability in everything they do. Finland utilises the resources and learning frameworks designed by Eco-Schools, the largest global environmental educational programme that operates in 68 countries and engages over 19.5 million children. It includes a simple seven-step framework to achieve the international Eco-Schools Green Flag award. In Finland, there are currently more than 300 schools registered with the programme.

For Kindergartens, the Eco-Schools Programme has been in place since 1999. The programme encourages pupils to take actions to reduce environmental impacts in their school and everyday lives, developing responsible attitudes and commitment to sustainability at home and wider in the community.

For primary and secondary schools, sustainable development must be included in schools' curriculum work in the compulsory and optional subjects. It is also listed as a key component of upper secondary vocational qualifications. It extends throughout the curriculum, for example, students learn how to calculate percentages using the school's energy statistics, such as the share of renewable energy.

At the university level, SYKLI Environmental School of Finland, a vocational college focused on the environment, offers competence-based qualifications in EE. The University of Oulu's Department of Education also offers core studies in EE for students who want to investigate further in this field.

In terms of funding, both the Ministry of Environment and Ministry of Education and Culture subsidise organisations that offer EE services for schools and communities. Furthermore, the regional ELY Centres offer project-based financial support for EE, and the Board of Education offers support for in-service teacher training initiatives and projects that expand learning environments for schools.¹

¹Global Environmental Education Partnership, Finland, 2020.



Case study: Germany

Solar sector in Germany

Germany is the fourth largest producer of electricity via solar PV, accounting for 10% of the world's generation in 2017 (1). This figure is a reflection of the government achievements in meeting its renewable energy goals as set out in the Renewable Energy Sources Act or EEG. This Act aims to increase the share of renewable energy sources in electricity supply to at least: 40 percent by no later than 2025; 55 percent by no later than 2035; and 80 percent by no later than 2050 (2). German policies to develop solar over the past decades have included:

- **Renewable Energy Act 2000:** Policies included a mandate that all electricity suppliers had to have the same share of electricity from renewable energy in their fuel mix. It also offered large subsidies and government loans to renewable energy producers. It also created the first German Feed-in Tariff. Feed-in tariffs are designed to accelerate investment in renewable energy technologies by providing developers long-term purchase agreements for the sale of electricity generated from renewable energy sources. These purchase agreements, which aim to be both effective and cost-efficient, typically offer a specified price for every kilowatt-hour (kWh) of electricity produced, which is in turn based on the cost of generation of each resource (3).
- **The 2014 revision:** stipulated a binding corridor for the annual rise of renewable energy and gave priority grid access to renewable energy. The law also stipulated that in times of excess supply, conventional power plants must ramp down production (4).
- **The 2017 revision:** the feed-in tariff will be replaced with an auction system for renewables, in which payments for renewable installations will be determined by a competitive auction process, instead of being fixed by the government as in the feed-in tariffs (5).
- **The KfW Renewable Energies Programme:** This programme provides long-term and low interest (1.05%) loans up to 20 years to plant operator or investor for the construction, extension or purchase of plants using renewable energy (e.g., solar energy) for producing electricity (6). Up to 100% of the investment costs are eligible for financing (without VAT), however, with an upper limit of EUR 50 million per project. In 2016, 7 years after the introduction of the programme, the RE Standard programme co-financed German renewable energy plants with a total solar energy of 417.5 MWe (7).

1. IRENA – Renewable Energy Electricity Statistics

2. Renewable Energy Sources Act (EEG 2017)

3. U.S. National Renewable Energy Lab, 'Policymaker's Guide to Feed-in Tariff Policies'

4. <https://www.bmwi.de/Redaktion/EN/Dossier/renewable-energy.html>

5. <https://www.cleanenergywire.org/factsheets/eeg-reform-2016-switching-auctions-renewables>

6. See RES LEGAL Europe, 2019, <http://www.res-legal.eu/search-by-country/germany/single/s/res-e/t/promotion/aid/loan-kfw-renewable-energy-programme-standard/lastp/135/> [Accessed June 2020]

7. Center for Solar Energy and Hydrogen Research Baden-Württemberg (ZSW), 2017, 'Assessment of environmental and social impacts of the KfW loan programme 'Renewable Energies – Standard' for the years 2015 and 2016'.



Case study: Israel

Solar sector in Israel

Israel ranks 22nd in the world in terms of electricity generation via solar PV (1). Israel has long favoured the integration of solar energy into the total energy mix with ambitious targets. The latest was announced in June 2020, with the government aiming to turn Israel into a "world leader" with a 16GW solar fleet by 2030 that will cover 30% of the country's power needs.

- **Reform of the Israeli Electric Corporation:** The country's state-owned monopoly in 2018 aimed to increase competition and transform the main electricity utility into a more streamlined and efficient company. The aim is to lower the company's share of electricity produced in Israel from 70% to 30% by 2030. The reforms will see several gas-fired power stations sold off to third parties to increase competition. In addition, system management activity will be delegated to an independent management company, ending the current conflict of interest of being both a system manager and electricity producer. These reforms have led to prioritised grid improvements which give solar a new route to the market.
- **Competitive auctions:** As with Germany, Israel has also made the move from a quota-based feed in tariff system, to competitive auctions which puts downward pressure on price and enables the entry of solar. Under auction schemes, the regulator defines quantities and the project developer defines the tariff in their bids.
- **2020 Solar Roadmap:** A \$23 billion investment was announced in 2020 from both the government and private sector with the aim of increasing the share of renewables up to 30% by 2030. Most specific investments have yet to be announced, but they will include funding for a 2GW solar pipeline (2).

1. IRENA – Renewable Energy Electricity Statistics

2. <https://www.pv-tech.org/news/israels-new-government-plots-15gw-plus-solar-plan-as-policy-priority>



The EU's Circular Action Plan

The EU has recently adopted a new Circular Economy Action Plan as part of the Green Deal which seeks to:

- Make sustainable products the norm in the EU;
- Empower consumers and public buyers;
- Focus on the sectors that use most resources and where the potential for circularity is high such as: electronics and ICT; batteries and vehicles; packaging; plastics; textiles; construction and buildings; food; water and nutrients;
- Ensure less waste;
- Make circularity work for people, regions and cities,
- Lead global efforts on circular economy.

The proposals were passed in European Parliament in February 2021, with the motion urging the European Commission to set binding targets for materials use and consumption footprint for all products placed on the EU market – in particular, for textiles, plastics, food and packaging, and waste.



Case study: France

Discouraging food waste in supermarkets

- In 2016, France became the first country in the world to pass national regulation against supermarkets throwing away or destroying unsold food.
- Under a law passed by the French senate, supermarkets are now required to donate good quality food approaching its best-before date to charities or food banks. Supermarkets have also been banned from deliberately spoiling food in order to prevent the food from being eaten by foragers.
- The passing of the law came as a result of significant campaigning. A petition for the law to be passed collected more than 200,000 signatures in just four months.
- Heads of supermarkets of at least ~4,300 sq. ft. in size must now sign food donation contracts with charities, or else face fines of €3,750. These contracts do not stipulate a minimum donation amount or frequency of donation, but rather promote responsible corporate behaviour and the social expectation that supermarkets will and should donate.
- Food assistance organisations and supermarkets found that donation quantities increased by around 30% just one year later. The percentage of supermarkets donating unsold products rose from 66% prior to 2016 to more than 90% in 2018.

¹ Foodtank, France's Ban on Food Waste Three Years Later, 2019.

² The Guardian, French law forbids food waste by supermarkets, 2016.



Case study: France

Repair cafés in Paris

- Europe generated 12 million tonnes of e-waste in 2019, ranking first worldwide in terms of e-waste generation per capita (16.1kg per capita).¹ Only 17% of global e-waste in 2019 was collected and recycled, meaning that high-value materials including gold, silver, and platinum were mostly dumped or burned instead of reused.
- In addition, e-waste often contains toxic or hazardous substances such as mercury and chlorofluorocarbons (CFCs). Low collection rates and non-environmentally sound disposal of e-waste can pose significant risks to the environment and public health.
- Repairing e-goods is one solution to reduce volumes of e-waste. In Paris, and more widely in cities across Europe, citizens and NGOs are setting up repair cafés. Repair cafés are free, monthly initiatives that allow local residents to fix household objects and electronics. Services and advice are provided by volunteer repairmen and women, who are normally also part of the local community.
- The cafés supply the tools and materials needed to repair common e-goods, but also clothing, furniture and bicycles. They support hands-on learning – volunteers aim not only to repair the goods, but teach their owners how to maintain them and conduct simple repair jobs themselves.
- There are now over a dozen repair cafés in Paris, and over 1,500 worldwide.

¹ United Nations Institute for Training and Research, Global E-waste Monitor, 2020.

² BBC News, The country rejecting throwaway culture, January 2021.



Case study:

UK's roadmap towards mandatory climate related disclosures

- The UK has announced its intention to make TCFD-aligned disclosures mandatory across the economy by 2025, with a significant portion of mandatory requirements in place by 2023.
- The UK Taskforce's Interim Report, and accompanying roadmap, set out an indicative pathway to achieving that ambition. The government released a consolidated timeline of planned or potential regulatory actions or legislative measures over the next five years.
- The roadmap presents a timeline for each category of financial institution, for example banks and building societies, listed commercial companies, asset managers, and insurance companies, and by their size, for example as defined by market capitalisation, turnover and balance sheet assets.
- The new rule will be introduced initially on a 'comply or explain' basis, before being made mandatory. The Financial Conduct Authority generally expects companies to be able to comply. However, it understands that some companies may need more time to deal with data, analytical or modelling challenges.

Initiative
ID: 122

Establish a taskforce to explore the application of TCFD-compliant climate-related reporting within Cyprus

Initiative
ID: 123

Set out a clear timeline for mandatory TCFD compliant disclosures by 2030

Initiative
ID: 124

Climate change stress testing



Case study – Landsec:

Creating financial transparency on real estate climate risk

- Landsec is a real estate investor and developer. The company made a public commitment to implementing the recommendations of the TCFD and in 2019, disclosed a concise set of financial metrics to provide investors with accurate and useful insights about the level of climate-related risk associated with the business.
- Landsec conducted quantitative analysis of their portfolio, as well as qualitative scenario analysis, assessing the risks and opportunities associated with climate change.
- Landsec also use their research to inform property investment, development, operation and divestment decisions, including:
 - Assessing energy efficiency and climate-related financial risks when buying new assets.
 - Managing the risks presented by higher cooling costs and lower heating demand, by adapting building services design, reducing heating capacity and maintaining summer cooling capacity to cope with heat-waves.
 - Actively investing in renewable energy generation capacity to improve resilience, reduce carbon emissions and reduce operational costs.
 - Continuing to invest in reducing contributions to climate change.



Case study: UK UK Global Talent Visa

- The Global Talent visa is a UK immigration category for talented and promising individuals in specific sectors, including the sciences, humanities, engineering, the arts, and technology.
- The visa is flexible and individuals can apply for any period of visa between one year and five years.
- To be considered for entry under the Global Talent visa, all applicants must obtain an endorsement from one of six approved endorsing bodies depending on the sector in question, for example the Royal Society, UK Research and Innovation (UKRI), Royal Academy of Engineering, the British Academy, Arts Council England or Tech Nation. Each body has a clear set of eligibility criteria, including skills and qualifications.
- There are two entry criteria routes:
 - **Exceptional Talent criteria** for applicants who have already demonstrated that they have made a significant contribution as a leader to their field; and
 - **Exceptional Promise criteria** for applicants who may be at an early stage in their careers and have already shown the potential to make significant contributions as a future leader in their field
- The application for endorsement usually takes up to 28 to be processed. The visa application can then take up to three weeks if applying from outside the UK and up to eight weeks if applying from within the UK. However, digital technology applicants may apply to have their endorsement application fast-tracked under certain prescribed circumstances.



Case study: US STEM visas in the US

- The US has offered H-1B visas since 1990. This visa category allows foreign workers to migrate temporarily (stays of up to six years) to the US to work in specialty skilled occupations such as those requiring Science, Technology, Engineering and Mathematics (STEM) skills. When introduced, this visa category accounted for a 40% increase in legal migration to the U.S.
- A recent study using a sample of H-1B visa holders examined the overall productivity effects of immigration under this visa category.¹ The findings of the study suggest that a one percentage point increase in the share of foreign-born scientists and engineers in the working population boosts the average weekly wages of native-born college-educated workers by 8–11%.
- Further, the study finds that a one percentage point increase in H1-B visa holders contributed to a boost in the average weekly wages of native-born non-college-educated workers by almost 4%.
- These results suggest positive productivity effects across the economy (to natives both with and without college educations) from skilled migration into STEM sectors, which can be driven by the skills needs of both domestic and foreign firms operating in the country.
- The authors note that long-term productivity improvements could also come from attracting foreign-born PhD students to STEM fields. The authors find evidence that these students increase academic output (as measured by number of scientific articles) and that this may have positive productivity effects, although the effects may take longer to arise than for the immigration of skilled workers (rather than PhD students)

¹ Peri, G., Shih, K. and Sparber, C., STEM workers, H-1B visas, and productivity in US cities. Journal of Labor Economics, 33(S1), pp.S225-S255, 2015.



Case study: Digital Nomads Madeira

- Digital Nomads Madeira is a project developed by the Regional Government of Madeira, through Start-up Madeira, and with the help of a digital nomad consultant.
- The pilot programme offers travellers free communal workspace, free Wi-Fi between 8am to 10pm daily, and exclusive events from at the John dos Passos Cultural Centre.
- Members also have access to a Slack community and a village hosting team that is on hand to foster exchanges between the nomads and locals to support them to build their networks and links with local firms.
- As part of the visa, residents must commit to staying for at least a month.
- The project has also teamed up with local businesses, such as real estate, hotels and rental car companies to create a holistic ecosystem for nomads.
- The project is supported by a one-stop-shop website, detailing all the information nomads need to integrate into the community and to register their interest in the project in one simple form online.
- Over 3,000 people applied for the project, which aims to host 100 nomads in the pilot phase.



Case study: Regional air connectivity Fund UK

- The Regional Air Connectivity Fund was a UK government initiative from 2015 to offer for start-up state aid to airlines to stimulate connectivity from and to regional airports. It had to meet the conditions of the EU guidelines on state aid. It aimed to launch of new routes from regional airports that handle fewer than five million passengers a year. New services were required to have an expected profitability within 3 years. Funding of £56 million was available in total and could cover up to 50% of the aeronautical charges.¹
- However, the fund had a very low success rate.² In the 2016 funding round, just three of ten routes which were offered funding actually ended up being successful and launching lasting routes. In the other seven cases, routes either never ended up launching, or has a temporary run before being pulled, or ran at a significantly lower frequency than was planned. The reasons for failure included financial constraints, or the entry of new competition. The provision of this state aid highlights the importance of there being clear financial and competitive reasons for the private sector to add new routes.

¹ UK government, Press release – Regional airports asked to bid for up to £56 million funding for new routes over next 3 years, 22 January 2015.

² hiddenEUROPE, Funding regional air services, 2017.



Case study: UK Sector skills councils

Sector skills councils (SSCs) in the UK are independent, employer-led national organisations. The main aim of SSCs are to build a skills system that is driven by employer demand. This aim can be broadened out to four key goals:

- To reduce skills gaps and shortages
- To improve productivity, business and public service performance
- To increase opportunities to boost the skills and productivity of everyone in the sector's workforce
- To improve learning supply

There are currently 13 SSCs, who work together with over 550,000 employers in the UK to define skills needs and standards for their respective industries. They cover industries such as:

- Cogent Skills SSC: Nuclear, chemicals, polymers, petroleum, and other pharmaceuticals
- Screen Skills SSC: TV, film, radio, animation, etc

The SSCs work with a range of stakeholders, including employers, trade unions and training providers. They are funded through a range of sources, including the UK government and member organisations.

A recent success of SSCs includes the joint work achieved by the ScreenSkills and Skills for Health SSCs to develop training to help film and TV production restart safely after the first wave of COVID-19.

Source: European Foundation for the Improvement of Living and Working Conditions, Sector Skills Councils, 2020.



Case study: Germany

Vocational education and training

Germany places a big emphasis on vocational education and training and, crucially, on forging links with employers to facilitate the transition to work and skills matching.

In Germany, over 50% of school students participate in Germany's upper secondary VET system (a dual vocational- academic system) choosing from one of over 300 training opportunities, ranging from diamond cutters to chimney sweepers. Germany's dual education system combines the experiences of education in a school with taking an apprenticeship in a company. Strict regulations set the national standards of each apprenticeship so that they maintain their prestige. A strong dual education system has resulted in relatively lower levels of tertiary education, as young graduates from these programmes typically find jobs without needing further study.

German government policies to improve education attainment include:

- The National Pact for Career Training and Skilled Manpower Development to provide the public sector and companies with training in VET.
- The Education Chains Initiative starts at age 12 with a vocational orientation programme and aims to create job prospects, avoid early drop-out and ensure better transition into VET and the labour market.
- The Vocational Training Act ensures that over 500,000 company-based training contracts are awarded to young people each year.



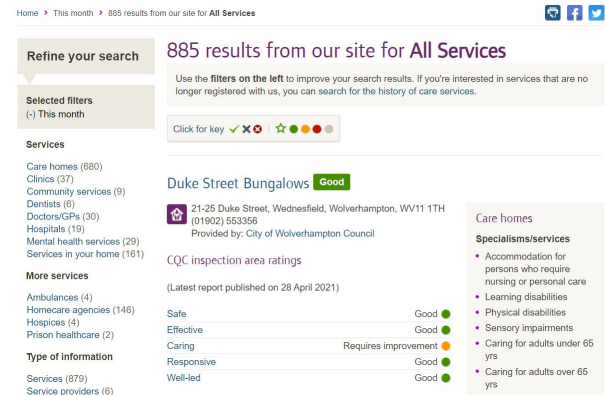
Case study: UK
Care Quality Commission (CQC)

In the UK, the Care Quality Commission is the independent regulator that monitors, inspects and regulates the core services of healthcare providers and ensures they consistently meet fundamental standards and do not put patients at risk of harm.

Where a provider falls below these standards, the CQC is able to take enforcement action or recommend that the provider should enter special measures. The purpose of special measures is to:

- Ensure that providers found to be providing inadequate care significantly improve.
- Provide a framework within which we use our enforcement powers in response to inadequate care and work with, or signpost to, other organisations in the system to ensure improvements are made.
- Provide a clear timeframe within which providers must improve the quality of care they provide, or we the CQC seeks to take further action, for example to cancel their registration

Results of inspections carried out by the CQC



Source: CQC website



Case study: UK Care Quality Commission (CQC)

Sheba Medical Centre in Tel Aviv, Israel's largest hospital, introduced the ARC Centre (Accelerate-Redesign-Collaborate) for Digital Innovation in 2019 to redesign healthcare and improve patient care using innovation to provide real value to patients.

The ARC Centre brings together all players in digital medicine including physicians, researchers, start-ups, industry leaders, academia, investors and top-tier medical centres. An open innovation campus was set up focusing on digital innovation in surgery, VR/AR, personalised medicine, AI/big data, and telehealth/mHealth. The ARC consists of three teams (Clinical/Regulatory, Development, Project Management) that collaborate to provide an all-encompassing response to research and development. By releasing internally developed technology, the program also launches 30 new innovation projects every year, receiving \$50,000 each over a rapid development cycle of ten months to obtain access to digital development capabilities.

Sheba Medical Centre has now become a serial producer of digital innovations with other countries including the US trying to copy their model, as well as being exported to other countries such as ARC Ottawa in Ontario, Canada. Examples of current projects at ARC include:

- Predictive Analytics and Artificial Intelligence where systems are designed to predict how a patient will respond over time to a particular disease or condition, enabling physicians to make informed decisions about the most effective, individualised treatment programs for each patient.
- Telemedicine, involving remote care with sensors, cameras and other technologies helping patients receive advanced quality healthcare from home, reducing the burden on hospitals without compromising patient care.
- Venture Capital Fund ensures that medical innovation progresses from development to the commercial market, creating significant value for patients.

¹ Grätzel Von Grätz, P., Sheba Medical Center: From hospital to innovation factory, 2019.

² Sheba Medical Center, The Center for Digital Innovation at Sheba Medical Center.



Case study: UK
NHS Oversight Framework 2019/20

The NHS Oversight Framework outlines the approach the NHS is taking to oversee organisational performance. It includes a comprehensive and evidence-based set of KPIs and targets that can help guide Cyprus’s development of its own performance management framework for implementing a value-based GHS. Health care providers in the UK are assessed annually against the Oversight Framework.

Results of the assessment are used to determine the level of support required by health care providers, from special measure required for providers in breach of health licenses to maximum autonomy for providers with excellent performance. Support, in this case, can mean signposting to resources of other health care providers, arranging peer support from other providers, or direct support from the NHS’s regulatory oversight body, NHS Improvement, among others.

Metrics included in the Oversight Framework cover (i) service models, (ii) preventing ill health and reducing inequalities, (iii) quality of care and outcomes, (iv) leadership and workforce, and (v) finance and use of resources. Further detail is shown below.

Examples of oversight metrics

1. Service models

- # of emergency admissions
- Delayed transfers of care per 100,000 population

2. Preventing ill health and reducing inequalities

- Maternal smoking at delivery
- Injuries from falls in people aged 65+

3. Quality of care and outcomes

- Neonatal mortality and stillbirths

Other recommendations for quality standards include the NHS National Institute for Health and Care Excellence (NICE) guidelines which can be used to inform the development of clinical standards in Cyprus.

Source: NHS Oversight Framework 2019/20, 2019.



Case study: UK Social Value Model

Since January 2021 the UK has used a 'Social Value Model' (SVM) to evaluate ESG themes in all central government procurements. The SVM sets out the UK government's social value priorities across 5 themes, such as economic inequality and equal opportunity, and 8 policy outcomes, such as reducing the disability employment gap and tackling workforce inequality.

Using this model, prospective bidders are evaluated on whether they can deliver stated ESG objectives in procurement. This could mean, in terms of ethical employer standards, including criteria such as:

- Reducing the disability employment gap
- Paying suppliers on time
- Certifying alignment with labour regulation as above (insurance, sick pay, paid leave, etc.)

These social value criteria are given a minimum overall weighting of 10% of the total evaluation score whenever the SVM is used. For example, the authority out for procurement may split the weighting of the procurement evaluation as 30% for price, 60% for quality of response and 10% social value. This sends a message to the supply market that social value is important to the procuring authority.

¹ UK Government Commercial Function,
The Social Value Model, 2021.



Case study: IBM Corporation

Managing Diversity at IBM with Diversity Task Forces

IBM has long been a leader in diversity management. In 1993, CEO Louis Gerstner observed low levels of diversity in the senior ranks despite strong equal employment efforts in the company.

To combat this, he created eight diversity task forces. These task forces each targeted a specific demographic groups such as women and men, Asians, Africans, LGBT people, employees with disabilities, etc. Each task force consisted of senior-level executives and higher-level managers. Activities run by the task forces included:

- Conducted a series of meetings and employee surveys around key factors concerning each group. E.g. male-dominated culture, lack of networking opportunities and work-life management challenges were the top concerns for women.
- Launched a series of programmes to address these key factors, e.g. creating a matching service on the company website for those who were seeking a mentor for guidance and advice.

Key to IBM's success was addressing both issues based on reality or perception. They realised that perceptual barriers could also act as a deterrent to career aspirations.

As a result of these initiatives, IBM has:

- More than tripled the number of female executives worldwide
- Doubled the number of minority executives
- Increased number of LGBT executives by seven times
- Tripled the number of executives with disabilities

Source: Lumen Learning, Managing Diversity for Success: The Case of IBM.



Case study: Barcelona

1992 Barcelona Olympics

Barcelona's strategy for the 1992 Summer Olympics was so successful that it continues to be a model example for city master planning. The so-called 'Barcelona Model' of urban planning has been awarded numerous awards for architecture in the years since, praised for its triumphs in expanding amenities, regenerating economies and vastly improving liveability for residents and appeal to tourists.

Key components to the Barcelona Model include the following:

- Hosting a large international event like the Olympics or World Cup, can result in the building of infrastructure that loses its purpose after the event has concluded. Instead of focusing on a limited number of large sports venues which these events are known for, Barcelona instead spread new investment throughout the city. For example, industrial facilities in the Poblenou district were removed and replaced by an 'Olympic village' – a residential area for athletes. After the Olympics, these residences became part of the normal housing supply. London, for the 2012 Olympics, took a similar route with the East Village in Stratford.
- Topography was used creatively – and in a way that still preserved natural beauty. For example, an Olympic stadium and now iconic Olympic pool were built in the Montjuic mountain in southern Barcelona.
- Ring roads were constructed to ease congestion around key locations.

A number of factors contributed to the large success of the Barcelona Model, key of which was public-private coordination, headed by the Mayor of Barcelona at the time, Pasqual Maragall. He attracted both private and public funding to implement this revolutionary urban plan.

¹ Vox, Barcelona's remarkable history of rebirth and transformation, 2019.



Case study: Liveability Indices
Halifax Quality of Life Survey & The Economist Global Liveability Index

Liveability assesses which locations provide the best or worst living conditions for residents. Assessments can be used to benchmark development levels, determine allocations of funding for local governments, as a case for change for infrastructure projects, and help people make informed decisions about where to live.

The Halifax Quality of Life Survey is an annual ranking of the best places to live in the UK, run by the Lloyds Banking Group. Local authorities in the UK are ranked across a spectrum of different liveability aspects. Within each of these liveability aspects, Halifax compares key KPIs e.g. life expectancy, exam results and days of sun. For example:

Aspect of liveability	KPIs
Labour market strength	Employment rates, average weekly earnings
Housing availability	House price to earnings ratio
Urban and physical environments	Traffic flows, crime rates
Health	Life expectancy, hours of sunshine
Education	Exam results in English & Mathematics
Personal well-being	Self-reported life satisfaction and happiness
Leisure	Pubs to population ratio

Survey rankings are publicised each year, and receive wide media coverage. East Hertfordshire was crowned the UK’s best place to live in 2020, overtaking Orkney, the 2019 winner.

Similarly, the Economist publishes the Global Liveability Index, an annual report comparing cities internationally. Every city in this Index is assigned a rating for over 30 qualitative and quantitative factors across the categories of stability, healthcare, culture and environment, education and infrastructure. Alongside KPIs similar to those used in the Quality of Life Survey, the Economist also takes into account other categories such as deterioration of culture, exposure to climate change, and perceived threat of terrorism. Vienna, Austria was the most liveable city in the world in both 2018 and 2019.



Case study: Singapore

Public-private partnerships with Singapore Corporate Laboratories

Singapore's National Research Foundation encourages public-private R&D partnerships between universities and companies through the establishment of Corporate Laboratories in universities. The aim is to enable industry partners to tap into the university's scientific and technological capabilities to develop new products and services, while universities gain by developing cutting edge solutions for real-world problems faced by the private sector. The research conducted therefore has direct relevance for the economy.

To date, 14 Corporate Laboratories have been set up across several universities.

These include:

- **Sembcorp at the National University of Singapore:** The S\$60 million Corporate Laboratory aims to develop new, competitive sustainable solutions in the areas of energy, water and waste. Research activities include solutions to optimise power generations while reducing emissions, improvements to industrial water and wastewater treatment systems, and to transform waste into high value products.
- **HP at the Nanyang Technological University:** The S\$84 million Digital Manufacturing Corporate Lab will drive innovation and skills to advance the Fourth Industrial Revolution, focussing on digital manufacturing technologies, 3D printing, artificial intelligence, machine learning and new materials.



Case study: UK

Assessing higher education teaching quality in the UK

The Teaching Excellence and Student Outcomes Framework was introduced by the government to assess teaching in universities in England. The framework awards a gold, silver or bronze rating to a higher education institution, based on an assessment by an independent panel of experts including academics, students and employer representatives. Metrics of assessment include student satisfaction, continuation rates, and employment outcomes.

The criteria for each award is as follows:

- gold for delivering consistently outstanding teaching, learning, and outcomes for its students. It is of the highest quality found in the UK
- silver for delivering high quality teaching, learning, and outcomes for its students. It consistently exceeds rigorous national quality requirements for UK higher education
- bronze for delivering teaching, learning, and outcomes for its students that meet rigorous national quality requirements for UK higher education.

Participation in the framework is currently voluntary for universities in England, but comes with financial incentives. Publicly-funded universities in England with an award are able to charge up to the maximum tuition fee of £9,250 a year for a full-time course.

The Quality Assurance Agency for Higher Education (QAA) is the body responsible for the external evaluation of Higher Education institutions (HEI) in the UK. It maintains the UK Quality Code for Higher Education, which is a voluntary code setting out what higher education providers are required to do, what they can expect of each other, and what the general public can expect of them. It was set up in 1997 as an independent body funded by subscriptions from universities and colleges of higher education throughout the UK, as well as through contracts with the funding bodies.

The Quality Assurance Agency for Higher Education (QAA) is the designated body responsible for carrying out quality and standards assessment functions including assuring that providers meet its initial and ongoing conditions of registration. These conditions fall into seven areas, as outlined below.

- a. Access and participation for students from all backgrounds: providers intending to charge fees higher than a specified amount for fee-regulated courses must have an access and participation plan in place.
- b. Quality, reliable standards and positive outcomes for all standards:
 - i. condition B1: the provider must deliver well-designed courses that provide a high quality academic experience for all students and enable a student's achievement to be reliably assessed;
 - ii. condition B2: the provider must provide all students, from admission through to completion, with the support that they need to succeed in and benefit from higher education;
 - iii. condition B3: the provider must deliver successful outcomes for all of its students, which are recognised and valued by employers and/or enable further study;
 - iv. condition B4: the provider must ensure that qualifications awarded to students hold their value at the point of qualification and over time, in line with sector recognised standards;
 - v. condition B5: the provider must deliver courses that meet the academic standards as they are described in the Framework for Higher Education Qualifications (FHEQ) for Level 4 or;
 - vi. condition B6: the provider must participate in the Teaching Excellence and Student Outcomes Framework.
- d. Financial sustainability.
- e. Good governance.
- f. Information for students.
- g. Accountability for fees and funding.

In addition, to collect further evidence that new providers are meeting the quality and standards conditions of registration, the QAA uses Quality and Standards Review. This involves review teams, composed of external experts with experience in higher education or regulation, visiting the provider and collecting evidence in order to assess whether and how the outcomes expressed by the core practices of the Quality Code 2018 are being achieved. During their visit, review teams are likely to assess further documentary evidence; meet with staff and students; observe teaching and learning activities; and assess learning resources and other facilities.



Case study: Greece

Study in Greece

Study in Greece is a non-profit organisation with members of the Greek academic community and operating under the auspices of the Greek Ministry of Foreign Affairs, Ministry of Education and Religious Affairs and the Ministry of Tourism. It aims to provide a ‘one stop shop’ for information on studying and living in Greece, promoting education and cultural opportunities in the country. It also helps to organise and implement various educational activities, such as study abroad programmes, conferences, summer schools and internships.

The cornerstone of its ‘one stop shop’ of information is its website, which offers a host of information on studying and living in Greece. Its key features include:

- Portal of every single bachelor's and master's degree course on offer, across all of the country's universities so that students can easily search for what's on offer, including filters by language
- Q&A of all you need to know about visa requirements, languages, costs, insurance, health and scholarships.
- Details and videos of student experiences and recommendations
- Career resources
- Blogs and news articles of developments in the tertiary education sector, as well as the option to subscribe to a regular newsletter
- Contacts for additional help and advice
- Promotion of Greek specialisms, such as Hellenic Heritage programmes.



Case study: Slovenia

Green Scheme of Slovenian Tourism

- The Slovenian Tourist Board has embarked upon a repositioning of Slovenian tourism in recent years based on sustainability. The Green Scheme of Slovenian Tourism¹ was developed at the national level as a certification programme that assesses service providers against a globally recognised criteria on their compliance with sustainability requirements.
- The certification programme enables providers to obtain the 'Slovenia Green Destination' label, which is used to communicate the country's sustainability efforts and promote green service providers. The brand can only be used by destinations and service providers who have joined the GSST and fulfil the requirements. Gold, silver or bronze awards are offered to accommodation providers, travel agencies and parks. The benefits include increased visibility and increased level of promotion through national and international channels.
- The GSST criteria are based on the Green Destinations Standard, which is recognised by the Global Sustainable Tourism Council. To obtain a Slovenia Green label, providers must follow eleven steps, including:
 - Appointment of a green coordinator and setting up a green team.
 - Increasing green awareness and signing a green policy.
 - Carrying out surveys and drafting action plans.
- The Green Destinations Standard assesses sustainability across sustainable management (i.e. monitoring and reporting, and stakeholder engagement), socio-economic sustainability (i.e. responsibility to the local community), cultural sustainability (i.e. protection of cultural assets and visitor management) and environmental sustainability (i.e. resource management, water stewardship, low impact transportation, light and noise pollution, wildlife protection).²

¹ Slovenia Green, Green Scheme of Slovenian Tourism, 2018.

² Global Sustainable Tourism Council, GSTC Destination Criteria, 2019.



Case study: Italy

Reviving the agricultural sector in Tuscany through agro-tourism

Agrotourism can be thanked for driving the recovery of the Tuscan region, following a crisis in traditional agriculture in the 1950s. The Tuscan region was the first to recognise the potential for agrotourism and resulted in agritourism being defined by state law in 1985, which set the parameters on which operators could set up and run their agritourism businesses. After the initial law was passed, each level of Regional Government set about drawing up their own legislation on how agritourism would operate in their area.

Agritourism in Italy is fully supported by the government, with funding available to farmers to develop either a new or existing agritourism business. The funds are often government subsidies, with the main restriction being that the agritourism operators who receive this funding are committed to operating for at least ten years after receiving the funds.

In Tuscany, regional government support began from 1987, when the Tuscany regional government invested European funds for agriculture and rural areas in setting up and then improving agrotourism. This enabled farmers to restore the old farmhouses and add facilities such as swimming pools, restaurants and sport facilities.

Over time, the product offerings have evolved to encourage longer stays and repeat trips, with specialised agricultural experiences, such as wine tasting, cooking classes, horse-riding and trekking.



Case study: India

Medical tourism in India

In 2002, the government published The National Health Policy, marking the start of government intervention:

- The Medical Visa was introduced by the Ministry of External Affairs, which granted patients a long-term stay (more than 180 days). In 2017, the medical e-visa was launched, which made the application process even easier. Under the e-tourist visa scheme, an applicant receives an email authorising him or her to travel for medical treatment.
- The government formed the AYUSH ministry in 2014 to develop and propagate the AYUSH systems of health care, in the hope of attracting more people for wellbeing tourism, where 'AYUSH' is the acronym for ayurveda, yoga and naturopathy, unani, siddha and homeopathy. The Ministry established common standards on service providers of these facilities. A list of recognised service providers is provided on the Ministry's official Incredible India campaign.
- To promote medical tourism, the Ministry of Commerce and Industry, along with ministries of tourism and health, launched a web portal to provide a one stop shop source for all information needed in order to come to India for treatment. The portal contains comprehensive information on hospitals, visas and accommodations, and is available in 4 languages.
- The Ministry of Tourism has also launched 24-7 help line to guide medical tourists during their stay in India. The helpline is available in twelve foreign languages.
- A new policy launched in 2017 made it compulsory for all medical tourism hospitals and medical travel agents to register with the government before they advertise on official tourism or medical tourism websites. This policy is to avoid unauthorized agents bringing a bad name to India, further maintaining India's high-quality healthcare.



Case study: UK Agri-tech in the United Kingdom

The UK has been in the leading position of agricultural innovation since the agricultural revolution of the 18th century, where it introduced the innovative farming practices of crop rotations. In 2013, the UK government put in place the Strategy for Agricultural Technologies to build on the strengths of the UK agricultural technologies sector. The main actions include:

- A mapping and evaluation of private and government funding available for R&D
- Investment of £60m to establish an Agri-Tech Catalyst, which aims to support the 'proof of concept' of near-market agricultural innovations
- Investment of £90m over five years to establish a number of Centres for Agricultural Innovation to support the development and adoption of new technologies
- Work with research councils in the UK to identify the skills needed to support the agri-tech research base
- Improve coordination and integration of on-farm demonstrations and establish demonstration farms to share best practice
- Build a new dedicated UKTI team to increase the volume and value of overseas investment into the UK agri-tech sector.

Agri-tech also forms part of the UK's Industrial Strategy, which is founded on R&D and technology. It includes a £4.7 billion investment in R&D over 4 years and, as part of this, a £90m investment was announced within the Industrial Strategy Challenge Fund, to support developments in precision agriculture. The fund has four key aims:

- Create 'Translation Hubs' that bring together businesses, farmers and academics to collaborate on research projects
- Support innovation accelerators to explore the potential of new technology and speed up commercialisation
- Launch a new research programme to identify and build on export opportunities overseas
- Fund demonstrator projects that show how innovative agro-tech ideas can be applied in real-world settings

As a result of the government's effort, the UK agri-tech sector is worth more than £14 billion and employed over 500,000 people in 2018. Leading agri-tech companies in the world, for example, agricultural equipment companies JCB and Denso and the leading crop inputs businesses Syngenta and Bayer, also see the UK as an attractive destination to establish their business.

UK Centres of Agricultural Innovation

The UK has established four Centres of Agricultural Innovation, representing a unique collaboration between the agri-tech sector and the government. They aim to improve the economic performance of UK farming, recreate UK leadership in this area by joining up existing excellence, resolve challenges and open up opportunities for transformational change. The four centres are focussed on the following:

- **Agri-metrics:** the use of data science and modelling to build a more productive, sustainable and efficient food system
- **Centre for Crop Health and Protection:** aims to revolutionise how farmers manage crop threats including pests and disease
- **Centre for Innovation Excellence in Livestock:** aims to create new livestock technology and products to boost profitability and productivity
- **Agricultural Engineering Precision Innovation Centre (Agri-EPI):** aims to develop technologies that will increase innovation in precision agriculture

In 2019, a two-day event was hosted to promote the UK's research and capabilities of the four Centres. The Centres form a base of attracting international expertise and partnership, for example the Agri-EPI centre has a partnership with a university in New Zealand to understand the variation in productivity across New Zealand's beef and dairy sectors and how this variation relates to greenhouse gas emissions per unit of food produced.



Case study: EU Protection of origin of foods

EU quality policy is designed to protect the names of specific products to promote their unique characteristics, linked to their geographical origin as well as traditional know-how. There are four types of protection:

- Protected designation of origin (PDO) for products that every part of the production, processing and preparation process must take place in the specific region.
- Protected geographical indication (PGI) for products that at least one of the stages of production, processing or preparation takes place in the region.
- Geographical indication of spirit drinks and aromatised wines (GI) for wines that at least one of the stages of distillation or preparation takes place in the region.
- Traditional speciality guaranteed (TSG) for agricultural products that are made in a traditional aspect, without being linked to a specific geographical area.

To take advantage of the EU quality policy, producers can voluntarily register their products to one of the schemes, however, the take-up of the policy differs between Member States. Italy, France and Spain are the most protective regions of their foods, with a total of 744 registered products under the three schemes. The main reasons for registering the products are economic reasons such as marketing, securing market share through the registered name, or sending quality assurance signals to consumers. The scheme also yields higher prices for many of the registered products. An European study shows that the sales value (price time quantity sold) of GI products was on average 2.07 times higher than the sales value for comparable products without a GI label. This is much as a result of higher production costs, certification costs, and producers' group costs. However, a case study conducted in 2008 shows that registered products are generally more profitable than their unregistered counterparts.



Case study: Netherlands

Reduction of antibiotics in agriculture

Netherlands used to be a main consumer of antibiotics products compared with other countries. In response to the international demand of antibiotics resistance, a 20% reduction was targeted for 2011, 50% for 2013 and 70% for 2015. The first two targets were met, but the overall reduction in 2015 was only 58% (it was 63% compared with the peak year of 2007). As part of the government's regulation, the livestock industry must comply with strict rules on antibiotic use:

- Antibiotics may only be prescribed by a veterinarian.
- Vets must inspect and assess a farm before prescribing antibiotics to sick animals. Farmers may only administer antibiotics themselves under strict conditions.
- Livestock farmers must register all the antibiotics they use, to show how much each animal receives. The antibiotic use is monitored by 3 independent organisations:
 - FIDIN, the federation of the Dutch veterinary pharmaceutical industry, annually reports the overall sales of antibiotics.
 - Wageningen University and Research monitors the antibiotic use per animal species, on a stratified sample of farms and
 - The large animal production sectors recently implemented centralised registration systems, monitoring the use on all farms.
- Farmers may not deliver animals for slaughter that contain antibiotic residues.

There are also rules on the situations that each antibiotic can be used. Since 2011, all antibiotics used in Dutch farming have been categorised by the sDA as 1st, 2nd and 3rd choice. Only 1st choice antibiotics can be used 'empirically', i.e. before further investigation into the cause of the infection, and without carrying out any sensitivity test. Second-choice antibiotics can only be used if sensitivity testing (ie. testing to see whether the bacteria are resistant to particular antibiotics) shows that 1st choice antibiotics would not function. The 3rd choice antibiotics can only be used if sensitivity testing shows that neither 1st or 2nd choice antibiotics would work. All critically important antibiotics are classified as 3rd choice, which has greatly helped in reducing their use since 2009.



Case study: Israel

Agri-tech R&D in Israel

Israel's agriculture industry has been challenged by an arid climate and limited trade with neighbours which has forced innovation to foster self-sufficiency and food a growing population. It has successfully leveraged its skills to succeed in this area. As of 2019 over 460 companies operate in this area, one third of which were less than five years old. An OECD review of Israel's agricultural sector in 2010 reached a conclusion that the high levels of investment in research and development was one of the key drivers of Israel agriculture growth. Since the 1980s, Israeli agriculture has been one of the most subsidised sectors in the world. The generous support by the government in R&D resulted in a long-term increase in productivity – the total factor productivity (TFP) in agriculture doubled between 1990 and 2006. Even in recent years, agriculture research was still primarily funded by the public sector (85%). Between 2014 and 2017, a total of USD 131m has been invested for R&D in the agritech sector, placing Israel among the top five countries in terms of funds for agri-tech investment.

The development of the agritech sector in Israel is a direct reflection of the country's rich R&D and innovation environment.

- Israel's civilian total R&D spending as a proportion of GDP at 4.1-4.25% is more than double the EU average of 1.9%, and above any European country, and a large amount flows into the agri-tech sector.
- The government takes a proactive policy towards R&D, by supporting universities and laboratories. Going even further, the government has also invested in venture-capital funds and directly in start-ups.
- Israel's university ecosystem is naturally built to attract R&D, with nine universities which are each organised around specific areas of expertise. This limits confusion, competition for internal resources and focuses experts in one place. Competition is focussed on the global stage.
- Israel has successfully coordinated the commercialisation of academic research, specifically with regards to technology transfer. Israel's Institute of Technology has a net research budget of US\$90 million, compared to the Massachusetts Institute of Technology's US\$1.5 billion, yet their income from commercialisation of research is similar. In Israel, academic staff can be direct stakeholders in start-ups, enabling them to stay at the university while sharing the in benefits of entrepreneurial activity. Furthermore, to develop technology transfer, Israel permits certain companies to have exclusive rights to commercialise the IP of universities, providing efficient means of systematically packaging innovation from research centres in universities to the market.
- There is a government plan to begin to sponsor pilot projects which bring together start-ups and farmers to help trial and test new technologies. This will help to perfect technologies before they are sent to international markets.
- Agrivest: This is an annual conference hosted by Israel and involving over 300 research groups in the area of agritech. Since 2012, Agrivest has showcased Israeli agritech to international investors and industry leaders.

4.3

Other national strategies, studies and plans

List of strategies, plans and studies relevant to this action plan

No.	Strategy / Plan / Study	Timeframe	Link
1	Action Plan for the Circular Economy	2021-2027	Presentation Report
2	Biodiversity Strategy and Action Plan	2020-2030	Report
3	Cyprus' Integrated National Energy and Climate Plan	2021-2030	Report - English Version Report - Greek Version
4	Cyprus Research & Innovation Strategy Framework	2019-2023	Report
5	Economic Diplomacy Strategy of Cyprus	N/A	Not publicly available
6	Farm to Fork Strategy: For a fair, healthy and environmentally food system	2020-2024	Report
7	Functional Review of the Courts System of Cyprus, Technical Assistance Project 2017/2018, IPA, Ireland, 2018	N/A	Report
8	Hotels4Climate project financed by the European Climate Initiative and championed by OEB	N/A	Reports and Information
9	Local Government Reform in Cyprus: Final Options Report	N/A	Report - English version Report - Greek version
10	Long-term strategy for Building Renovation	2020-2030	Report - English version Report - Greek version
11	Municipal Waste Management Plan	2015-2021	Report
12	National Broadband Plan of Cyprus	2021-2025	Report
13	National Digital Strategy	N/A	Report
14	National Financial Literacy Strategy	N/A	In progress
15	National Tourism Strategy	2020-2030	Report

List of strategies, plans and studies relevant to this action plan

No.	Strategy / Plan / Study	Timeframe	Link
16	New Industrial Policy of Cyprus	2019-2030 (action plan for the period 2019-2022 is also included)	Report
17	Proposed Civil Procedures Rules 2020-2022	2020-2022	Report
18	Study on the “Implementation and management of new financial instruments for Cyprus”, 2018-2019, funded by DG Reform	N/A	Not publicly available
19	Study on “Enhancing the export competitiveness of Cyprus’ four key export products”, commissioned by MECI (currently in the process of being finalised)	N/A	Not publicly available yet
20	Recovery and Resilience Plan 2021-2026	2021-2026	Report
21	Smart Specialisation Strategy for Cyprus 2016-2020	2016-2020	Report
22	Strategic Framework for Fiscal Policy 2020-2022	2020-2022	Report
23	Strategic Plan of Ministry of Transport, Communication and Works 2021-2023	2021-2023	Report
24	Strategy for attracting businesses	2022-2024	Report
25	Country-specific recommendations	2020	

4.4






Strategic key performance indicators

Effective government machinery

Outcomes

- 1 Transform the Civil Service to a modern employer which grows and develops its people and reacts fast to changes in the global, regional and local ecosystem
- 2 Grow a civil service which serves the needs of its citizens, international and local businesses and its EU partners
- 3 Build a local government which serves the needs of its community

KPIs and targets

Key performance indicator	Year of latest available data ¹	Current state	Target by 2035	Benchmark
 World Governance Indicators: Government effectiveness (Percentile rank)¹	2019	1.0	2.0	Singapore: 2.2
 World Governance Indicators: Voice and Accountability (Percentile rank)¹	2019	1.1	1.6	New Zealand: 1.6
 Share of civil servants completing annual CPD at the CAPA	N/A	N/A	75%	N/A
 Remuneration of civil servants as a share of GDP	NA	NA	Consistent with EU average	NA
 Digitalisation and completion of top 200 requests by citizens within 1 working day	N/A	N/A	100%	N/A

Data from Eurostat unless otherwise stated.

¹ World Bank, World Governance Indicators. +2.5=maximum, -2.5=minimum




Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Efficient legal system which resolves disputes fast

Outcomes

1 Build a modern judicial system where justice is served fast to grow a lasting culture where the rule of law prevails

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 EU Justice Scoreboard: Time needed to resolve civil, commercial, administrative and other cases¹	2018	737 days	< 200 days	Denmark – 24 days
 EU Justice Scoreboard: Number of pending civil, commercial and administrative and other cases (1st instance/per 100 inhabitants)²	2018	6	1.5 – 1.75	Netherlands – 1.5
 International property rights index³	2020	Global Rank: 41	20 – 25	Ireland – 20 Estonia – 24 Malta – 33

Data from Eurostat unless otherwise stated.

¹ European Commission, 2020 EU Justice Scoreboard, 2020.

² Ibid.

³ Property Rights Alliance, International Property Rights Index.





Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Open, transparent and fair marketplace for everyone (cont'd)

Outcomes

- 1 Set up a level-playing field for all businesses in Cyprus
- 2 Diversify the sources of finances for businesses in Cyprus consistent with that of other European economies
- 3 Reduce the role of the informal economy

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 % of external corporate investment finance from bank loans¹	2019	82.3%	60 – 65%	EU average – 59.5%
 Share of adults who are financially literate²	2019	35%	65 – 70%	EU average – 52%
 Size of informal economy as % of GDP³	2016	30.4%	15 – 20%	Austria – 9.6%
 Bank non-performing loans to total gross loans (%)	2019	17%	10 to 15 percentile in the Eurozone	Ireland, Malta – 3%

Data from Eurostat unless otherwise stated.

¹ European Investment Bank, EIB Investment Survey, 2020. ² Standard & Poor, Global Financial Literacy Study, 2014.

³ IMF Working Papers, Explaining the Shadow Economy in Europe: Size, Causes and Policy Options, 2019.

Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Powerhouse of innovation (cont'd)

Outcomes

- 1 Boost innovation that leads to commercialised innovations
- 2 Create a vibrant and productive start-up/entrepreneurial ecosystem

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 R&D spending as % of GDP	2019	0.63%	2.5% – 3%	EU27 average – 2.2%
 Global Innovation Index¹	2020	World Rank: 29	15 – 20	Netherlands – 5 Israel – 13
 Global Entrepreneurship Index²	2018	Rank: 32	15 – 20	Netherlands – 11 Israel – 16
 Business investment, as a share of GDP	2019	8%	15-20%	EU27 average – 14%
 Business enterprises, share of total R&D funds³	2018	35%	50-60%	N/A
 Patent applications to the European Patent Office, per million inhabitants	2019	54	125-150	EU27 average – 148 Denmark – 415

Data from Eurostat unless otherwise stated.

¹ Cornell INSEAD WIPO, Global Innovation Index.

² The Global Entrepreneurship and Development Institute, Global Entrepreneurship Index.

³ Cystat.







Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Supported by digitalisation (cont'd)

Outcomes

- 1 Transform Cyprus's digital public services delivery model into a Government as a Platform
- 2 Set up a digital infrastructure ecosystem which will allow businesses, households and the government to start interacting digitally
- 3 Driven by a user-centric and efficient digital government
- 4 Build a leading digital economy with more competitive and future-proofed industries, leveraging the growing local ICT sector

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 E-government Development Index¹	2020*	Global Rank: 18th	8th – 13th	Denmark – 1st Netherlands – 10th
 Share of total enterprises (excluding financial sector) with e-commerce sales	2019	14%	20 – 25%	EU27 – 20% Ireland – 29%
 Digital Economy and Society Index²	2019	EU28 Rank: 22nd	10th – 15th	Finland – 1st Malta – 10th
 Connectivity sub-component of the DESI	2019	EU28 Rank: 21st	10th – 15th	Finland – 5th Estonia – 13th
 IMD World Digital Competitiveness Index	2019	Global rank: 54th	25th – 30th	Netherlands – 6th Ireland – 19th
 Individuals with basic or above basic digital skills	2019	45%	85% – 95%	EU27 – 56% Estonia – 62%

Data from Eurostat unless otherwise stated.

¹ United Nations E-Government Knowledgebase, E-government Development Index.

² European Commission, The Digital Economy and Society Index (DESI).

³ European Commission, Mobile and Fixed Broadband Prices in Europe, 2019.

Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.









*Data for UN's E-government Index used for 2020 as no data for 2019 is available.

Greener economy (cont'd)

Outcomes

- 1 Transition to a renewable energy system that capitalises Cyprus's solar energy potential
- 2 Improve energy efficiency and reduce carbon emissions across large sectors of Cyprus's economy including transport and the built environment
- 3 Drive the transformation towards a circular, zero-waste economy across businesses and households
- 4 Develop environmental resilience in people, businesses and ecosystems against the risks and uncertainty posed by climate change

KPIs and targets

	Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
	Change in greenhouse gas emissions per capita since 1990 ¹	2018	+53.8%	-55%	Green Deal target: -55% by 2030*
	Share of renewable energy in total energy consumption	2019	13.8%	>50%	Green Deal target – 33%* by 2030
	Exposure to pollution, grime or other environmental problems, % of households	2019	8.5%	5%	Ireland – 6.5%
	Recycling rates of municipal waste	2019	15%	80%	Green Deal target – 65%
	Landfill rate	2016	67%	15%	Green Deal target – 10%
	Energy efficiency	NA	NA	40% improvement	Green Deal target: 32.5%* improvement by 2030
	Environmental Performance Index ¹	2020	Global Rank: 31 st	15 th – 20 th	Netherlands – 11 th Malta – 23 rd
	Traffic and public transport use	There is currently no data available on either road traffic or public transport use. The authorities should prioritise collecting data on both, in line with Eurostat methodologies.			

¹As part of the European Green Deal, the Commission proposed in September 2020 to raise the 2030 greenhouse gas emission reduction target, including emissions and removals, to at least 55% compared to 1990. By June 2021, the Commission will also announce more ambitious targets for renewable energy and energy efficiency improvements.




Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Diversified, sustainable and more resilient economy (cont'd)

Outcomes

- 1 Attract and nurture foreign companies through targeted and personal networking
- 2 Bring the best possible talent to Cyprus to complement the local workforce
- 3 Support businesses to achieve scale and promote export growth in key markets
- 4 Improving Cyprus's air connectivity to key markets and making Cyprus a great and convenient place to do work, study, visit and live

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 Contribution to GVA from the top 5 largest sectors	Average 2015-19	48%	40-45%	N/A
 GVA share of primary and secondary sectors (excluding construction)	2019	11%	15%	N/A
 Air Connectivity Index¹	2019	Global Rank: 70	40 – 45	UK – 6 Singapore – 23 Ireland – 36

Data from Eurostat unless otherwise stated.

¹ International Air Transport Association, Air Connectivity: Measuring the connections that drive economic growth, 2019.








Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

World class education system

Outcomes

- 1 Form a strong link between education and business to build in-demand skills
- 2 Transform the education system with a curriculum and infrastructure designed to develop skills for a modern workplace
- 3 Invest in vocational education with a clear link to Vision 2035
- 4 Forge a culture of lifelong learning and upskilling

KPIs and targets

	Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
	Young people neither in employment nor in education and training, % of total population	2019	14.1%	8% – 12%	EU27 – 12.5% Iceland – 5.7%
	Job mismatch rate (horizontal skills mismatch), total economy ¹	2019	28.7%	15% – 20%	EU27 – 27.9% Finland – 24%
	Over-qualification rate (vertical skills mismatch), total economy ²	2019	33.6%	20% – 25%	EU27 – 21.9% Netherlands – 16.3%
	Mean score in PISA 2018 (average of reading, mathematics and science) ³	2018	438	510 – 530	OECD – 488 Estonia – 525
	Share of pupils enrolled in vocational education	2019	17%	20%-25%	EU27 – 48% Malta – 28%
	Adult participation in learning	2019	5.9%	10% – 15%	EU27 – 10.8% Sweden – 34.3%
	Number of universities in the Top 250 Times World University Rankings ⁴	2021	0	1 – 2	N/A

Data from Eurostat unless otherwise stated.

¹ 'Skills mismatch (%)' refers to the percentage of the population aged 25-34 who are employed in job misaligned to their subject of study.

² 'Skills mismatch (%)' refers to the share of employees aged 25-34 who are over-qualified for their position.

³ OECD, PISA 2018 Results: Combined Executive Summaries, 2018.

⁴ Times Higher Education, World University Rankings 2021





Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Excellent and accessible healthcare system

Outcomes

- 1 Develop a modern healthcare system, futureproofed for health, demographics and digital trends

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 Out of pocket expenditure on healthcare (% of total current expenditure)	2018	45%	35 – 40%	EU27 – 16% Estonia – 25%
 Self-perceived health, % of population at good or very good	2019	78%	85-90%	Ireland – 84% Greece – 79%
 Childhood obesity rates (obesity level among five- to nine-year-olds)¹	2019	43%	35 – 40%	OECD35 – 31.4% Estonia – 22.8%
 Prevalence of current tobacco use (% of adults)²	2018	36.7%	25 – 30%	Norway – 13% Italy – 23.4% Estonia – 30.5%

Data from Eurostat unless otherwise stated.

¹ OECD, Cyprus Country Health Profile, 2019.

² World Bank, World Development Indicators.




Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Adheres to rule of law and combats corruption (cont'd)

Outcomes

1 Combat corruption across the entire spectrum of Cypriot society, business and government

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 Corruption Perceptions Index rank¹	2019	Global Rank: 41	33 – 37	New Zealand & Denmark – 1 Ireland – 18
 World Governance Indicators: Control of Corruption (Percentile rank)²	2019	71.6th	75 – 80	Denmark – 97.6 France – 88.9
 % reporting that corruption or bribery is one of the three biggest problems in the country³	2016	49%	30 – 35%	Netherlands – 17% Estonia – 25%
 % reporting that 'most of state authorities' are involved in corruption⁴	2017 – 20 wave	43%	10% – 15%	NA
 % reporting that 'most of business executives' are involved in corruption⁴	2017 – 20 wave	33%	10% – 15%	NA
 Basel AML index⁵ Note: a lower ranking indicates a better performance	2020	Global rank: 88	110 – 105	UK – 116 Israel – 130

Data from Eurostat unless otherwise stated. ¹ Transparency International, Corruption Perceptions Index 2020.

² World Bank, Worldwide Governance Indicators.

³ Transparency International, Global Corruption Barometer, Europe and Central Asia 9th edition, 2016.

⁴ World Values Survey Wave 7.

⁵ Basel Institute of Governance.







Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

Liveability, equal access and opportunities for all (cont'd)

Outcomes

- 1 Improve and maintain liveability for all Cypriots
- 2 Ensure that all citizens have equal access to opportunities in all walks of life
- 3 Establish a future of shared prosperity by levelling up regions and regenerating rural economies

KPIs and targets

Key performance indicator	Year of latest available data	Current state	Target by 2035	Benchmark
 Gender employment gap	2019	11.6%	5 – 10%	EU27 – 11.7% Finland – 2.9%
 Employment rate of people aged 55-64	2019	60%	65 – 70%	EU27 – 60% Sweden – 78%
 Severe material deprivation rate of foreign nationals aged 18+ in Cyprus	2016	13.5%	7 – 9%	EU27 – 9.2% Malta – 2.5%
 Gini coefficient of equivalised disposable income (0: perfect equality, 100: perfect inequality)	2019	31.1	28 – 30	EU27 – 30.2 Slovenia – 24
 Share of people at risk of poverty or social exclusion¹	2019	22%	15 – 20%	EU27 – 21% Slovenia – 14%
 Percentage of the population rating their satisfaction as high (%)	2018	22%	35 – 40%	Ireland – 45% Denmark – 41%

Data from Eurostat unless otherwise stated.

¹ This indicator corresponds to the sum of persons who are: at risk of poverty or severely materially deprived or living in households with very low work intensity.

*Note: Latest available data is used up to 2019. 2020, where available, is excluded due to the COVID-19 pandemic.

4.5

Output key performance indicators

Aggregated output KPIs for monitoring the Vision 2035 action plan as a whole

The overall monitoring of the implementation progress against the set action plan for Vision 2035 may be achieved through the following indicative key performance indicators (KPIs):

Completion KPIs

- **Percentage completion of the action plan**
(Number of initiatives completed / total number of initiatives) * 100
- **Initiatives progressed**
Total number of initiatives commenced and progressed within the period
- **Initiatives completed**
Total number of initiatives completed within the period

Timeliness KPIs

- **On-time completion percentage**
(Number of initiatives completed on time / Total number of initiatives planned to be completed within the period) * 100
- **Number of timeframe adjustments to the plan**
Number of adjustments to the timeframe of initiatives planned within the period
- **Time spent**
The total amount of time spent on the implementation of each initiative planned in the period
- **Planned versus real time spent**
(Total amount of actual time spent in managing and implementing initiatives / Total amount of time estimated for the management and implementation of initiatives planned within the period) * 100

Budget KPIs

- **Total budget**
Total budget consumed for the implementation of initiatives planned in the period. It may be interesting to see the breakdown of total budget consumed by source of funding.
- **Budget variance**
Total actual budget spent for the implementation of initiatives - Total estimated budget for the implementation of the same initiatives planned within the period
- **Budget iterations**
Total number of budget versions developed within the period and submitted for approval

Effectiveness KPIs

- **Number of milestones completed on time**
Total number of planned milestones completed within the set timeframes
- **Number of changed initiatives**
Total number of changes (e.g. scope, type, etc.) to initiatives planned within the period
- **Number of cancelled initiatives**
Total number of initiatives planned within the period which were paused or canceled

Quality KPIs

- **Number of errors**
Number of incidents where an initiative had to be reworked / redone affecting budget and/or timelines
- **Complaints**
Total number of complaints received within the period

Initiative-specific output KPIs for monitoring individual initiatives

The overall monitoring of the implementation progress against the project plan of a specific initiative may be achieved through the following indicative key performance indicators (KPIs):

Completion KPIs

- **Percentage completion of the initiative project plan**
(Number of actions completed / total number of actions planned within the period) * 100
- **Actions progressed**
Total number of actions commenced and progressed within the period
- **Actions completed**
Total number of actions completed within the period
- **Schedule variance**
EV (earned value) - PV (planned value), where EV = Percentage completion of the initiative * Total initiative budget and PV = Percentage of initiative remaining to be implemented * Total initiative budget

Timeliness KPIs

- **On-time completion percentage**
(Number of actions completed on time / Total number of actions planned to be completed within the period) * 100
- **Number of timeframe adjustments to the plan**
Number of adjustments to the timeframe of actions planned within the period
- **Time spent**
The total amount of time spent on the implementation of each phase (or action) planned in the period
- **Planned versus real time spent**
(Total amount of actual time spent in managing and implementing actions / Total amount of time estimated for the management and implementation of actions planned within the period) * 100

Budget KPIs

- **Total budget**
Total budget consumed for the implementation of the initiative
- **Budget variance**
Total actual budget spent for the implementation of actions - Total estimated budget for the implementation of the same actions planned within the period
- **Budget iterations**
Total number of budget versions developed and submitted for approval

Effectiveness KPIs

- **Number of milestones completed on time**
Total number of planned milestones completed within the set timeframes
- **Number of changed actions**
Total number of changes (e.g. scope, type, etc.) to actions planned within the period
- **Number of cancelled actions**
Total number of actions planned within the period which were paused or canceled

Quality KPIs

- **Number of errors**
Number of incidents where an action had to be reworked / redone affecting budget and/or timelines
- **Complaints**
Total number of complaints received within the period

Thank you

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