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From: Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director

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To: Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

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Subject: Proposal for a COUNCIL IMPLEMENTING DECISION amending the Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Cyprus

Delegations will find attached document COM(2025) 721 final.

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2025/0375 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

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

{SWD(2025) 377 final}

2025/0375 (NLE)

Proposal for a

COUNCIL IMPLEMENTING DECISION

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

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Following the submission of the national recovery and resilience plan ('RRP') by Cyprus on 17 May 2021 the Commission proposed its positive assessment to the Council. On 28 July 2021, the Council approved the positive assessment by means of an implementing decision ('the Council Implementing Decision of 28 July 2021')². The Council Implementing Decision of 28 July 2021 was amended by Council Implementing Decisions of 8 December 2023³, 16 July 2024⁴, 21 January 2025 and 20 June 2025.⁵
- (2) On 05 November 2025, Cyprus made a reasoned request to the Commission to make a proposal to amend the Council Implementing Decision of 28 July 2021 in accordance with Article 21(1) of Regulation (EU) 2021/241 on the grounds that the RRP is partially no longer achievable because of objective circumstances. On that basis, Cyprus has submitted an amended RRP.

Amendments based on Article 21 of Regulation (EU) 2021/241

- (3) The amendments to the RRP submitted by Cyprus because of objective circumstances concern 121 measures.
- (4) Cyprus has explained that two measures are no longer achievable, because of an increase in the cost of implementation of the measure due to inflation. This concerns C3.4I6a Regeneration and Revitalisation of Nicosia Inner City and C4.2I2 Digitalisation of the Cyprus Ports Authority. On this basis, Cyprus has requested that

¹ OJ L 57, 18.2.2021, p. 17, ELI: <https://eur-lex.europa.eu/eli/reg/2021/241/oj>

² See documents: ST 10686/21 INIT, ST 10686/21 ADD 1.

³ See documents: ST 15571/23 INIT, ST 15571/23 ADD 1, ST 15571/23 ADD 1 COR 1.

⁴ See documents ST 11806/24 INIT, ST 11806/24 ADD 1.

⁵ See documents ST 17052/24 INIT, ST 17052/24 ADD 1, ST 9585/25 INIT, ST 9585/25 ADD 1.

those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.

- (5) Cyprus has explained that seven measures are no longer achievable due to unexpected increases in demand. This concerns C1.1I5 Enhancement, modernisation and upgrade of Cyprus State Hospitals; C2.1I2 Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty, including in households with vulnerable electricity consumers; C2.1I9 Forests fire protection; C2.2I3 Promote widespread use of Electric Vehicles (EVs); C2.3I5 Anti-flood and water collection measures; C2.3I6 Enhance water security for Nicosia and Larnaca regions and C6.1I1 Scaled-up measure: Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers. On this basis, Cyprus has requested that those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (6) Cyprus has explained that six measures are no longer achievable because of unexpected delays in the implementation. This concerns C2.1I5 Energy Efficiency Upgrading of public buildings; C2.3I3 Integrated Monitoring and Control Management System for the Water Development Department's infrastructure; C2.3I4 Smart Water and Sewerage Networks Management; C3.1I11 Improvement and extension of the Cyprus Green Points Network and creation of a network of Collection Points and Recycling Corners; C3.4I5 Smart cities and C6.1I3 Promoting extensive energy upgrading of housing stock. On this basis, Cyprus has requested that those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (7) Cyprus has explained that seven measures are no longer achievable because of unexpected delays in the implementation. This concerns C2.3I1 Chirokitia-Famagusta Conveyor Replacement; C2.1I11 Ending energy isolation - Project of Common Interest "EuroAsia Interconnector"; C2.1I4 Encourage the reduction of CO2 emissions in businesses; C3.1I1 Marine aquaculture construction; C3.4I2 Digitalisation of the law-making process; C3.4I6b Regeneration and Revitalisation of Nicosia Inner City and C3.4I9 Aid Scheme for the private and public sector for certification with ISO 37001 (Anti Bribery). On this basis, Cyprus has requested that those measures be removed. The Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (8) Cyprus has explained that six measures are no longer achievable because of lack of demand. This concerns C1.1I4 Accreditation of public and private hospitals; C2.1I3 Encouraging the use of renewables and energy savings by local/wider public authorities and facilitating the transition of local communities towards climate mitigation & adaptation; C3.1R3 Genetic improvement of the Cyprus sheep and goat population; C5.1R1 Addressing skills mismatch between education and labour market (Secondary and Higher Education); C5.1R2 A new teacher and school evaluation system and C5.2I2 Establishment of multifunctional centres and childcare centres. On this basis, Cyprus has requested that those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (9) Cyprus has explained that one measure is no longer achievable because of lack of demand. This concerns C6.1I2 Scaled-up measure: Encouraging the use of renewables and energy savings by local/wider public authorities. On this basis, Cyprus has requested that this measure be removed. The Council Implementing Decision of 28 July 2021 should be amended accordingly.

- (10) Cyprus has explained that three measures are no longer achievable because of unexpected legal challenges in the implementation. This concerns C2.1I7 Mass installation and operation by the Distribution System Operator (DSO) of Smart Metering Infrastructure (Advanced Metering Infrastructure); C2.2I1 Implementation of Sustainable Urban Mobility Projects (SUMP) and accessibility enhancing measures and C5.2I3 Establishment of home structures for persons with disabilities and people in need of long-term care. On this basis, Cyprus has requested that those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (11) Cyprus has explained that two measures are no longer achievable because of technical issues in the implementation. This concerns C5.1I1 Construction of one Model Technical School and C4.2R2 Definition and implementation of a new cloud policy with regard to government IT systems and services. On this basis, Cyprus has requested that those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (12) Cyprus has explained that nine measures have been amended to implement better alternatives in order to achieve their original ambition. This concerns C3.3R3 Modernisation of the Companies Law; C3.3R5 Strategic Investor of the Cyprus Stock Exchange; C3.5R1 Legal framework for Crisis Management for Credit Institutions; C3.1R5 Establishment of a Coordinating Body between central and local government; C3.2R3 Introduce policies and incentives to facilitate and foster access to publicly funded research infrastructure and laboratories; C3.5R5 Action plan for the development of a liability monitoring register; C3.5R8 Enhancing supervision of Insurance and Pension Funds; C5.2R2 Flexible Work Arrangements in the Form of Telework and C5.2I1 Improving the effectiveness of the Department of Labour and Public Employment Services and reinforcing support for young people. On this basis, Cyprus has requested to amend the aforementioned measures. As those circumstances justify an amendment of the measures, the Council Implementing Decision of 28 July 2021 should be amended accordingly.
- (13) Cyprus has explained that 75 measures have been amended to implement better alternatives that allow the administrative burden to be reduced and simplify the Council Implementing Decision, while still achieving the objectives of those measures. This concerns C1.1R1 National Centre for Clinical Evidence and Quality Improvement; C1.1R2 Design of an Electronic platform for the surveillance of Nosocomial Antibiotic Consumption and Healthcare – Associated Infections; C1.1R3 Gradually shifting of the healthcare provision and reimbursement framework towards value-based models; C1.1I1 New facilities for the Cyprus Blood Establishment and procurement of the latest technology attendant equipment; C1.1I2 Cyprus Innovative Public Health information and communications technology (ICT) System; C1.1I3 Purchase/replacement of medical equipment in hospitals; C1.1I6 Deployment of generic cross border e-health services in Cyprus; C1.1I7 Public warning system for supporting emergency operations through SMS; C2.1R1 Green Taxation; C2.1I1 Promoting energy efficiency investments in SMEs and non-profit organisations; C2.1I6 Upgrading renewable energy and smart grids testing infrastructure at the University of Cyprus; C2.1I8 Monitoring and reduction of GHG emissions in agriculture; C2.1I10 Market Management System to facilitate the opening of the electricity market to competition; C2.2R1 Establishment of an Intelligent Transport System using Digital Twin technologies; C2.2R2 Provide the regulatory framework for an interoperable and effective electric vehicle (EV) recharging infrastructure and

an efficient EV recharging market; C2.2R3 Progressively phase out the most polluting vehicles, especially in polluted urban areas; C2.2R2 Creation of electro-mobility infrastructure; C2.3R1 Water Resource Management Reform; C2.3I2 Water Treatment Plants: upgrade for water quality improvement; C3.1R2 On-line platform for improving the trade and information symmetry in the fresh produce supply chain; C3.1I2 Enhancement of isotopic database of traditional Cypriot products; C3.1I6 Scheme for modernisation and digitalisation of enterprises engaged in manufacturing and trading of agricultural products; C3.1I7 Scheme for the enhancement of their competitiveness and/or the energy upgrade of large enterprises in Cyprus; C3.1I8 Enhancing the added value of the tourism sector; C3.1I9 Promotion of circular economy in hotel establishments; C3.1I10 Enrichment of the tourism product; C3.1R4 Enhancement of circular economy in the Industry; C3.1I12 Waste management towards circular economy; C3.2R1 Comprehensive national Research and Innovation Policy supported by data-driven policy tools to support the R&I Ecosystem and to enhance links between policy making and implementation; C3.2R2 Incentives to encourage and attract investments and human capital in Research and Innovation; C3.2I1 Set up and operate a central Knowledge Transfer Office (KTO); C3.2I2 Innovation funding programmes & funding schemes for the enhancement of growth & competitiveness of start-ups, innovative companies and SMEs; C3.2I3 R&I funding program on green transition; C3.2I4 Funding schemes to support organisations performing R&I activities on dual technologies, including the creation of new or upgrade of existing laboratories and the development of classified laboratories; C3.3R2 Enhancing Fast-Track Business Activation Mechanism; C3.3R4 Design and establish a National Promotional Agency; C3.3I2 Creation of a Regulatory Sandbox to enable FinTech; C3.3I4 Scheme for the digital upgrade of enterprises; C3.3I6 State funded equity fund; C3.3I1 Integrated Information system for the Department of Registrar of Companies and Intellectual Property; C3.4R1 Enhance the administrative capacity and improve the functioning of public administration for better policy making and implementation; C3.4R2 Regulate flexible working arrangements in the public sector; C3.4R3 Introduce new framework for evaluation and selection process for filling public service vacancies and new regulations for the evaluation of employees' performance; C3.4R4 Strengthen administrative capacity and transparency through the professionalisation of public procurement and further digitalisation of its process; C3.4I3 Economic Policy Modelling Hub; C3.4R6 New legal framework for Local Authorities and relevant support measures; C3.4R7 Urban land consolidation; C3.4I4 Enhancing e-system for issuing building permits; C3.4R8 Efficiency of Justice; C3.4R9 Digital transformation of courts; C3.4I7 Training of judges; C3.5R4 New legal framework and system of exchange of data and credit bureau; C3.5R6 Reinforcing and strengthening the insolvency framework; C3.5R9 Improving tax collection and effectiveness of the Tax Department; C3.5R10 Addressing Aggressive Tax Planning; C3.5I2 Modernisation of Customs and Electronic Payment System; C4.1R1 Empower the National Regulatory Authority (OCECPR); C4.1R2 Empower the National Broadband Competence Office (DEC of the DMRIDP); C4.1R1 Expansion of Very High Capacity Networks in underserved areas; C4.1I2 Upgrade internet connection to be "Gigabit-ready" and promote connectivity take-up; C4.2R1 Digital Services Factory; C4.2R3 Police Procedures digitalisation on Digipol; C4.2I1 Digitalisation in various Central Government Ministries – Services; C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four; C5.1R4 Digital transformation of school units with the aim of enhancing digital skills and skills related to STEM education; C5.1R5 E-skills Action Plan – Implementation of specific actions; C5.1I2 Skilling, Reskilling and Upskilling; C5.1I4 Child Centres in

Municipalities; C5.1I5 Construction of Two Model Special Education Schools; C5.2R1 Reform of the Social Insurance System and Restructuring of the Social Insurance Services; C6.1R1 Regulating and facilitating the participation of Active Customers, Renewable Self-Consumers, Citizen Energy Communities, Renewable Energy Communities and Demand Response through Cumulative Representation in the electricity market; C6.1R2 Establishment of the regulatory framework for the connection of EV recharging points to the distribution network; C6.1I5 Scaled-up measure: Scheme for the enhancement of the competitiveness and the energy efficiency of large enterprises in Cyprus; C6.1I6 Scaled-up measure: Thematic research and innovation funding program on green transition and C6.1I7 Thematic research in enterprises for energy production, storage, transmission and distribution solutions. On this basis, Cyprus has requested that those measures be amended. The Council Implementing Decision of 28 July 2021 should be amended accordingly.

- (14) Following the removal and decrease in the level of implementation of measures in accordance with Article 21 of Regulation (EU) 2021/241, Cyprus has requested to use the resources freed up by the removal of measures and the decrease in the level of their implementation to add three new measures and increase the level of implementation of nine measures. This concerns the following new measures: C3.3R7 Foreign Direct Investment screening law; C3.3R8 The Provision of Crowdfunding Services for Business Law; C3.5R11 Establishment of the legal framework for setting up a national sanctions implementation unit; and increase the level of implementation of the following measures: C1.1I5 Enhancement, modernisation and upgrade of Cyprus State Hospitals; C2.1I2 Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty, including in households with vulnerable electricity consumers; C2.1I9 Forests fire protection; C2.2I3 Promote widespread use of Electric Vehicles (EVs); C2.3I5 Anti-flood and water collection measures; C2.3I6 Enhance water security for Nicosia and Larnaca regions; C3.4I6a Regeneration and Revitalization of Nicosia Inner City – Renovation; C4.2I2 Digitalisation of the Cyprus Ports Authority and C6.1I1 Scaled-up measure: Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers. On this basis, Cyprus has requested that the level of implementation of nine measures be increased and that three new measures be added.

Distribution of milestones and targets

- (15) The distribution of milestones and targets in instalments should be amended to take into account the amendments to the RRP and the indicative timeline presented by Cyprus.

Commission's assessment

- (16) The Commission has assessed the amended RRP against the assessment criteria laid down in Article 19(3) of Regulation (EU) 2021/241.

Addressing all or a significant subset of challenges identified in country-specific recommendations

- (17) In accordance with Article 19(3), point (b), of and Annex V, criterion 2.2, to Regulation (EU) 2021/241, the amended RRP is expected to contribute to effectively addressing all or a significant subset of challenges (rating A) identified in the relevant country-specific recommendations addressed to Cyprus, including fiscal aspects

thereof, or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester.

Contribution to the REPowerEU objectives

- (18) In accordance with Article 19(3), point (da), of and Annex V, criterion 2.12, to Regulation (EU) 2021/241, the REPowerEU chapter is expected to effectively contribute to a large extent (rating A) to energy security, the diversification of the Union's energy supply, an increase in the uptake of renewables and in energy efficiency, an increase of energy storage capacities or the necessary reduction of dependence on fossil fuels before 2030.
- (19) The overall ambition of the RePowerEU chapter is maintained. While two measures have been downscaled due to lack of demand or unexpected delays in the implementation process, another measure has been upscaled due to high demand that effectively contributes to a large extent to energy security, the diversification of the Union's energy supply, an increase uptake of renewables and in energy efficiency and therefore to the reduction of dependence on fossil fuels before 2030. Therefore, the amended plan effectively contributes to the objectives of Article 19(3), point (da).

Measures having a cross-border or multi-country dimension or effect

- (20) In accordance with Article 19(3), point (db), of and Annex V, criterion 2.13, to Regulation (EU) 2021/241, the measures included in the REPowerEU chapter are expected to a large extent (rating A) to have a cross-border or multi-country dimension or effect.
- (21) Most of the measures do have a cross-border effect since they contribute to the reduction of the demand and dependency on fossil fuels, either by electrification, by promoting the production and integration of renewable energy sources into the network or through supporting energy efficiency and saving, hence reducing the country's energy needs. This reduced dependence on fossil fuels should also be reflected in Cyprus' cross-border energy flows. The total costs of those measures account for an amount largely exceeding 30% of the estimated costs of the REPowerEU chapter.
- (22) Taking into account the removal of the scaled-up measure: C6.1I2 Encouraging the use of renewables and energy savings by local/wider public authorities under the RePowerEU chapter, all remaining measures contribute to the reduction of the demand and dependency of fossil fuels. Some encourage energy efficiency and saving in public and private buildings and enterprises, some promote the production and integration of renewable energy sources into the network, and others support electrification of vehicles. These measures all reduce dependence on fossil fuels also at the EU level, which justifies the assessment that the measures included in the REPowerEU chapter are expected to a large extent (Rating A) to have a cross-border or multi-country dimension or effect. Therefore, the amended plan effectively contributes to the objectives of Article 19(3), point (db).

Contribution to the green transition including biodiversity

- (23) In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the amended RRP contains measures that contribute to a large extent (rating A) to the green transition, including biodiversity, or to addressing the challenges resulting therefrom. The measures supporting climate objectives account for an amount which represents 42.09% of the amended RRP's total allocation and 94.18 % of the total estimated costs of measures in the REPowerEU chapter

calculated in accordance with the methodology set out in Annex VI to Regulation (EU) 2021/241. In accordance with Article 17 of Regulation (EU) 2021/241, the amended RRP is consistent with the information included in the National Energy and Climate Plan 2021-2030.

- (24) In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the modified RRP contains measures that contribute to a large extent to the green transition, including biodiversity or to addressing the challenges resulting from it, as well as to the achievement of the Union 2030 climate targets while complying with the objective of EU climate neutrality by 2050. The removal of measures under the loans compartment, specifically the removal of the Great-Sea-Interconnector, contributed to the decrease in the contribution of measures to the climate objectives. The positive assessment of the contribution to the green transition provided in the Council Implementing Decision of 20 July 2021 remains valid. Despite the reduction by 4%, the measures removed or amended do not impact the overall ambition of the plan regarding the green transition.

Contribution to the digital transition

- (25) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (EU) 2021/241, the amended RRP contains measures that contribute to a large extent (rating A) to the digital transition or to addressing the challenges resulting from it. The measures supporting digital objectives account for an amount which represents 30.03% of the amended RRP's total allocation calculated in accordance with the methodology set out in Annex VII to that Regulation. The amendments to the Cyprus's RRP entail a net increase in the overall contribution to the digital target of the RRP by 7%.
- (26) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (EU) 2021/241, the modified RRP contains measures that contribute to a large extent to the digital transition or to addressing the challenges resulting from it. The positive assessment of the contribution to the digital transition provided in the Council Implementing Decision of 20 July 2021 remains valid.

Costing

- (27) In accordance with Article 19(3), point (i), of and Annex V, criterion 2.9, to Regulation (EU) 2021/241, the justification provided in the amended RRP on the amount of the estimated total cost of the RRP is to a medium extent (rating B) reasonable and plausible, is in line with the principle of cost efficiency and is commensurate to the expected national economic and social impact.
- (28) According to the information provided, the assessment of the cost estimates for the existing measure whose modifications entailed a new cost assessment show that most of the costs are reasonable and plausible. The changes in the cost estimates for the other modified measures were justified, proportional to the new revised targets and supported by detailed calculations and evidence, and as such the reasonability and plausibility of these cost estimates were not altered compared to the original RRP. Finally, the amount of the estimated total cost of the RRP is in line with the principle of cost-efficiency and commensurate to the expected national economic and social impact.

Any other assessment criteria

- (29) The Commission considers that the amendments put forward by Cyprus do not affect the positive assessment of the RRP set out in the Council Implementing Decision of 28

July 2021 on the approval of the assessment of the RRP for Cyprus regarding the relevance, effectiveness, efficiency and coherence of the RRP against the assessment criteria laid down in Article 19(3), points (a), (c), (d), (g), (h), (j) and (k).

Measures supporting investment operations contributing to the objectives of the Strategic Technologies for Europe Platform (STEP)

- (30) In accordance with Article 4(4) of Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP)⁶, Cyprus considered as a matter of priority projects that have been awarded a Sovereignty Seal pursuant to Article 4(1) of Regulation (EU) 2024/795. However, Cyprus considered that no project having been awarded a Sovereignty Seal was to be included in the amended RRP because there was no significant absorption rate, suggesting limited capacity to effectively utilize additional resources for such initiatives.

Positive assessment

- (31) Following the positive assessment by the Commission of the amended RRP, with the finding that the RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, the reforms and investment projects necessary for the implementation of the amended RRP, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the amended RRP should be set out.

Financial contribution

- (32) The estimated total costs of Cyprus's amended RRP is EUR 1 020 659 255. As the amount of the estimated total cost of the amended RRP is higher than the updated maximum financial contribution available for Cyprus, the financial contribution determined in accordance with Article 4a of Regulation (EU) 2021/1755 of the European Parliament and of the Council⁷, and with Article 20(4) and Article 21a(6) of Regulation (EU) 2021/241 that is allocated for Cyprus's amended RRP should be equal to EUR 1 020 223 681. Therefore, the financial contribution made available to Cyprus remains unchanged.

Loans

- (33) A total loan support of EUR 200 320 000 was made available to Cyprus by means of Council Implementing Decision of 28 July 2021, to support additional reforms and investments, including: C2.3I1 Choirokitia- Famagusta Conveyor Replacement; C2.1I11 Ending energy isolation - Project of Common Interest "EuroAsia Interconnector"; C3.1I1 Marine aquaculture construction; C3.4I2 Digitalisation of the law-making process; C3.4I6b Regeneration and Revitalisation of Nicosia Inner City and C3.4I9 Aid Scheme for the private and public sector for certification with ISO 37001 (Anti Bribery). Cyprus has requested to remove under Article 21 of Regulation 2021/241 the aforementioned reforms and investments and has not

⁶ Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP) (OJ L, 2024/795, 29.2.2024, p. 1, ELI: <http://data.europa.eu/eli/reg/2024/795/oj>).

⁷ Regulation (EU) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve (OJ L 357, 8.10.2021, p. 1, ELI: <http://data.europa.eu/eli/reg/2021/1755/oj>).

requested to use the freed-up loan resources to support new measures or to increase the level of implementation of existing measures within the RRP. Therefore, no loan support should be made available to Cyprus any longer, and any loan pre-financing already disbursed should be repaid in line with the terms of the loan agreement.

- (34) The Council Implementing Decision of 28 July 2021 should therefore be amended accordingly. For the sake of clarity, the Annex to the Council Implementing Decision of 28 July 2021 should be replaced entirely. This Decision should be without prejudice to the outcome of any procedures relating to the award of Union funds under any Union programme other than the Facility or to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty. It does not override the requirement for Member States to notify instances of potential State aid to the Commission under Article 108 of the Treaty,

HAS ADOPTED THIS DECISION:

Article 1
Approval of the assessment of the RRP

The assessment of the amended RRP of Cyprus on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved.

Article 2
Amendments

The Council Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Cyprus is amended as follows:

1. Article 3 is repealed.
2. the Annex to the Council Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Cyprus is replaced by the text set out in the Annex to this Decision.

Article 3
Addressee

This Decision is addressed to the Republic of Cyprus.

Done at Brussels,

For the Council
The President