



REPUBLIC OF CYPRUS
DEPUTY MINISTRY OF TOURISM

Winter Support Scheme for Tour Operators

Guidance Document

The Cyprus Deputy Ministry of Tourism (DMT) will be implementing an EU approved support scheme for the purposes of cooperating with Tour Operators, in an effort to mitigate the effect of Covid-19 on tourism. DMT will be granting aid, in the form of direct grants, with the following terms and conditions:

1. **ELIGIBILITY CRITERIA**

Eligible for cooperation with the Cyprus Deputy Ministry of Tourism (hereinafter DMT), within the framework of the Support Scheme are Tour Operators who meet **all of the following three conditions:**

- A. Have chartered planes and/or belong to the same company group with an airline and/or have committed seats on planes flying to the Republic of Cyprus. Signed contracts with the licensed airlines used to carry the Tour Operator's customers to Cyprus, must be submitted as proof of chartering planes and/or seats. The contracts submitted must clearly state the period of the operation and number of seats chartered. Elements of a confidential nature, such as cost per flight/per seat may be deleted. In the case of multiple airline companies used, copies of all signed contracts must be submitted. Invoices or proof of payment/receipts will not be accepted as contracts.
- B. Have provided a holiday package to their clients, i.e. both flight to the airports of Larnaca and/or Paphos **and** accommodation in licensed establishments in the Republic of Cyprus.
- C. Have achieved a total minimum number of overnight stays in said accommodation, which is not lower than 7000, during the period of Paragraph 2C of the present Guidance Document.

2. **TERMS AND CONDITIONS**

DMT will be paying a set amount for every holiday package sold by an eligible Tour Operator to the Republic of Cyprus, under the following conditions:

- A. The number of payable holiday packages will not be greater than the number of the chartered/committed seats. For example, if a Tour Operator commits 2000 seats, the maximum number of payable packages can only be 2000 (provided that all seats were purchased by customers for whom accommodation was also provided by the Tour Operator).
- B. The Scheme is applicable to all source markets.
- C. The Scheme is applicable for the period 1/1/2022-30/4/2022.
- D. Tour Operators may apply for aid under the scheme from 1/1/2022-17/4/2022, at the latest.

3. PAYABLE AMOUNT

Each verified holiday package (i.e. a package which includes flight and licensed accommodation) will be supported by €2.5 per overnight stay (exclusive of V.A.T), per person (e.g. if a couple stays in a hotel for seven nights, the total payable support for their overnight stays will be €35).

4. PAYMENT METHOD

4.1 The Tour Operator shall notify in writing to DMT the bank account to which they wish the payments to be made by completing the Form provided by DMT. In the event that a bank account has already been declared for the purposes of payments being made by the Government, a different account should not be declared unless the Tour Operator wishes their payments to be deposited in the future to a new account. DMT reserves the right to oppose the Tour Operator’s choice of bank account.

4.2. Payment shall be made in euro at the end of the period mentioned in Paragraph 2C as follows and provided that the Tour Operator has submitted rooming lists (immediately after the end of the period mentioned in Paragraph 2C above) which DMT will then verify. The rooming lists submitted should be presented on an Excel sheet and should be of the following format:

“Rooming List Format (Excel File)

PERIOD: 1/1/2022 – 30/4/2022

SURNAME	HOTEL	DISTRICT	ARRIVAL DATE	DEPARTURE DATE
		e.g. Paphos	dd/mm/yy	dd/mm/yy

Notes:

1. If there are multiple members comprising a group, each member of the group should be mentioned by surname.
2. If the Tour Operator chooses to only mention the name of the person who reserved each room/made the reservation, the total number of people accommodated in that room, should be mentioned. Otherwise, this person will be counted as a single arrival and only his/her own arrival will be payable.

If the lists are not submitted in the requested format, DMT reserves the right to refuse to accept them.

3. The Tour Operator may include in their rooming lists clients for whom accommodation was purchased through bedbanks. However, for these overnights to be payable, the Tour Operator must submit signed letters from each of the bedbanks, confirming that these specific arrivals (mentioning name, date of arrival and departure and accommodation unit) are clients of the said Tour Operator. If the confirmations are not submitted as requested, DMT reserves the right not to accept them.
4. Following the end of the Period mentioned in Paragraph 2C above, and provided that the rooming lists have been submitted on time and the verification process has been concluded, **DMT will inform the Tour Operator of the amount due, so that the Tour Operator issues the appropriate invoice.**

5. OTHER TERMS AND CONDITIONS

5.1. Aid may not be granted to medium and large enterprises that were already in difficulty¹ within the meaning of the General Block Exemption Regulation (“GBER”) on 31 December 2019. Aid may be granted to micro and small enterprises, that were in difficulty within the meaning of the GBER on 31 December 2019, if those enterprises, at the moment of granting the aid, are not subject to collective insolvency procedure under national law and they have not received rescue aid² or restructuring aid³.

- A micro or small enterprise is an undertaking that has less than 50 employees and less than 10 million euro of annual turnover and/or balance sheet.
- A medium sized enterprise is an undertaking that has 50 or more employees and 10 million euro or more of annual turnover and/or annual balance sheet.
- A large enterprise is an undertaking that has 250 or more employees and 50 million euro or more of annual turnover and/or 43 million euro annual balance sheet.

¹ Definition of ‘undertaking in difficulty’ can be found in article 2, no. 18 i COMMISSION REGULATION (EU) No. 651/2014 of 17 June 2014. ‘Undertaking in difficulty’ means an undertaking in respect of which at least one of the following circumstances occurs:

- (a) In the case of a limited liability company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, ‘limited liability company’ refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (1) and ‘share capital’ includes, where relevant, any share premium.
- (b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, ‘a company where at least some members have unlimited liability for the debt of the company’ refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
- (c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
- (d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
- (e) In the case of an undertaking that is not an SME, where, for the past two years:
 1. the undertaking's book debt to equity ratio has been greater than 7,5 and
 2. the undertaking's EBITDA interest coverage ratio has been below 1,0.

² Alternatively, if they have received rescue aid, they have reimbursed the loan or terminated the guarantee at the moment of granting of the aid under the notified measure.

³ Alternatively, if they have received restructuring aid, they are no longer subject to a restructuring plan at the moment of granting of the aid under the notified measure.

- 5.2. The authorities of the Republic of Cyprus commit to suspend the award and/or payment of any aid under the notified aid scheme to any undertaking that has benefited from earlier unlawful aid declared incompatible by an EU Commission Decision (either as an individual aid or an aid under an aid scheme being declared incompatible), until that undertaking has reimbursed or paid into a blocked account the total amount of unlawful and incompatible aid and the corresponding recovery interest.
- 5.3. The overall nominal value of the grants shall not exceed EUR 2.3 million per undertaking⁴. All figures must be gross, that is, before any deduction of tax or other charges. The amount of EUR 2.3 million includes any amounts already received per undertaking, within any and all Schemes ever introduced by the Cyprus government, within the Temporary Framework for state aid measures to support the economy within the current Covid-19 outbreak.
- 5.4. The aid granted under the measure may be cumulated with aid under *de minimis* Regulations or the GBER provided the provisions and cumulation rules of those Regulations are respected.
- 5.5. The aid granted under the measure may be cumulated with aid granted under other measures approved by the European Commission under Sections 3.1. of the Temporary Framework, provided that the overall maximum cap per undertaking, as set out in point 22(a) of that framework, is respected.
- 5.6. All terms and conditions set out in the European Commission's decision dt. 20.1.2022, Re: State Aid SA. 101278 (2021/N) – Cyprus, including the above, must be adhered to.

⁴ The term undertaking refers to all 'linked enterprises' (as per the GBER, Annex I, Article 3.3.). 'Linked enterprises' are enterprises which have any of the following relationships with each other:

- (a) an enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
- (b) an enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
- (c) an enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;
- (d) an enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

There is a presumption that no dominant influence exists if the investors listed in the second subparagraph of paragraph 2 are not involving themselves directly or indirectly in the management of the enterprise in question, without prejudice to their rights as shareholders.

Enterprises having any of the relationships described in the first subparagraph through one or more other enterprises, or any one of the investors mentioned in paragraph 2, are also considered to be linked.

Enterprises which have one or other of such relationships through a natural person or group of natural persons acting jointly are also considered linked enterprises if they engage in their activity or in part of their activity in the same relevant market or in adjacent markets.

- 5.7. The Annex to the present Guidance Document must be filled in and returned to DMT no later than 17 April 2022.
- 5.8. DMT can only grant the support following approval and authorisation by the EU Commission.



REPUBLIC OF CYPRUS
DEPUTY MINISTRY OF TOURISM

WINTER SCHEME FOR THE SUPPORT OF TOUR OPERATORS

CONFIRMATION OF PARTICIPATION

*The present document must be filled in by the Tour Operating company, signed, scanned and returned to the Cyprus Deputy Ministry of Tourism, no later than **17/4/2022**.*

I/We, the undersigned, who is/are duly authorised by the below mentioned company, hereby confirm that:

1. The company meets the eligibility criteria and agrees with the terms and conditions set out in the Guidance Document.
2. The information provided herein is accurate, correct and complete and that the documents submitted along with this application form are genuine.

PART A: Company Information

Name of Tour Operating company participating in the Scheme (as this will appear on the invoice).	
Company's Registration Number/Code (as per local Company Registry in each country – please define)	
Trading name/s if different from above.	
Name and Title of the person signing the contract.	
Name, Title and Email Address of the Contract Manager (person responsible for communicating with DMT).	
Postal Address of company signing the contract.	
Brand names used, or other group companies, the overnights of which will also be counted for the purposes of this Scheme (as these companies will appear in the hotels' registries).	

Company to be paid (exact name of company holding the bank account).	
National VAT Number /company Registration Number	
Bank Details: - Name of Bank - Address of Bank - Name of Bank Account - IBAN/Sort Code - Account Number	
In accordance with Paragraphs 5.1. and 5.3 of the Guidance Document, the enterprise is:	Micro/Small <input type="checkbox"/> Medium Sized <input type="checkbox"/> Large <input type="checkbox"/>
I/We confirm that on 31 December 2019, the company did not meet any of the criteria to be considered an ‘undertaking in difficulty’ within the meaning of the General Block Exemption Regulation (“GBER”) and in article 2, no. 18 i COMMISSION REGULATION (EU) No. 651/2014 of 17 June 2014.	CONFIRMED/NOT CONFIRMED
Have you received any other aid under <i>de minimis</i> Regulations, or the GBER or other sections of the Temporary Framework, from the Cyprus government? If the answer is YES, the Deputy Ministry of Tourism reserves the right to ask for clarifications/documentation to confirm that the aid received does not exceed the overall maximum cap per undertaking and that the provisions and cumulation rules of those Regulations are respected.	YES/NO
Have you applied or do you intend to apply for any other funding support announced by the Cyprus government under <i>de minimis</i> Regulations, or the GBER or other sections of the Temporary Framework, from the Cyprus government, since 1/6/2020? If the answer is YES, please indicate the source of this aid (government authority and Framework Title/Scheme etc). The Deputy Ministry of Tourism reserves the	YES/NO

right to ask for clarifications/documentation to confirm that the aid received does not exceed the overall maximum cap per undertaking and that the provisions and cumulation rules of those Regulations are respected.	
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PART B: Programme Information (at the time of signature)

Planned period of operation (start date – end date) within the period 1/1/2022-30/4/2022.	
Number of committed seats on third party airlines (<u>signed contract/s must be attached</u>) during the above planned period of operation.	
Number of committed seats on own airline company (i.e. belonging to the same group of companies) during the above planned period of operation.	

The Cyprus Deputy Ministry of Tourism reserves the right to request additional information to document the above confirmations.

Name, Surname and Position	Stamp, Signature of Authorized Person
Email of signee	Contact Tel. number

APPROVAL OF PARTICIPATION

The present Confirmation of Participation has been approved by the relevant authorities of the Cyprus Deputy Ministry of Tourism.

The final award of the supporting aid will be decided upon final examination of the submitted documentation and only if these adhere to the rules and regulations of the Scheme, as set out in Paragraphs 1-5 of the Guidance Document.

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 Mr. Theofanis Tryfonos
 Permanent Secretary
 Cyprus Deputy Ministry of Tourism
 Date: .../.../...