

Review

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Review

Cyprus' Approach to the Digital Services Act: Harmonisation, Enforcement, and Practical Implications

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Abstract

The Digital Services Act (DSA) represents a landmark regulatory context aiming to secure a safer, trusted and more transparent digital environment. While the DSA establishes a harmonised regulatory framework for intermediary services across the EU, it significantly relies on national regulatory authorities for effective implementation. This article examines the implementation of the DSA in Cyprus and discusses the national legal framework adopted through primary and secondary legislation. It analyses the powers, legally mandated tasks, rights, and obligations of the digital services coordinator in Cyprus including its supervisory, investigatory, and enforcement competences as well as the sanctioning mechanisms. This article provides a comprehensive legal analysis of the coordinator's operation and contributes to the academic debate on the national implementation of the DSA as a horizontal legal tool of intermediary services and digital platforms accessed by European citizens.

Keywords: Cyprus; implementation of DSA; digital services act; digital services coordinator; intermediary services; digital platforms

1. Introduction

The effective application of Regulation (EU) 2022/2065, known as the Digital Services Act ("DSA") within the Member States relies on the establishment of a robust and independent national authority – the Digital Services Coordinator (the "Coordinator") with supervisory, regulatory, and enforcement powers. National legal frameworks must further empower these coordinators and other relevant authorities to ensure comprehensive oversight and compliance. The DSA's success also depends on coordinated cooperation between national competent authorities, national Coordinators, the Digital Services Board, and the European Commission, as well as transparent enforcement mechanisms. Together, these elements underpin the collective ability of Member States to uphold the objectives of the DSA.

Member States were expected to designate their coordinator and the necessary national framework by 17 February 2024. On 11.07.25, and after the European Commission (the "EC") opened infringement procedures by sending letters of formal notice to Cyprus on 24 April 2024¹, Cyprus adopted eventually the necessary legal framework for the implementation of the DSA, namely the Law of 2025 on the Implementation of Regulation (EU) 2022/2065 on a Single Market for digital Services (the "CYDSA") and the Radio and Television Organizations (Amendment) Law of 2025 (the "RTO")ⁱ, which amends the Radio and Television Organisations Laws of 1998 to 2023 (the "Main RTO")ⁱⁱ. The two Laws are supplemented by secondary regulations, namely the Regulations of 2025 regarding the implementation of Regulation (EU) 2022/2065 on the Digital Services Single Market

¹ Press release of the EC dated 7.5.25: https://ec.europa.eu/commission/presscorner/detail/en/ip_25_1081

(Procedures and Functioning of the Digital Services Coordinator) – Regulatory Administrative Act 218/2025 (the “RAA 218/2025”)ⁱⁱⁱ. Pursuant to art. 21 CYDSA and for the purposes of applying, among others, article 53 of the DSA, RAA 218/2025 delineates the procedures and standards governing the execution of the Coordinator’s operation and defines the procedures regarding the submission and examination of complaints against providers of intermediary services under the jurisdiction of the Coordinator.

This article provides a comprehensive legal analysis of the competences, powers, rights, and obligations vested in the Coordinator under this new legal framework and other designated authorities drawing on the detailed transposition found in art. 4 through 18 CYDSA and on the sanctioning mechanisms provided in art. 19 and 20 CYDSA as well as in art.6, 9, and 10 of RAA 218/2025.

2. The Digital Services Coordinator Under Cyprus Law

I. Competent Authorities for Supervision and Enforcement

Art. 49 par. 1 DSA provides that Member States must designate one or more competent national authorities to be responsible for the supervision of providers of intermediary services and enforcement of the regulation. Par. 2 provides that one of the competent authorities above must be designated as their Digital Services Coordinator who will be responsible for all matters relating to supervision and enforcement of the DSA^{iv} and who will be responsible for ensuring coordination at national level as well as for any communication within the EU, with the DSA Board and other member states’ Coordinators.

CYDSA has designated as the national Digital Services Coordinator the Radio Television and Digital Services Authority (art. 2 par. 1 and art. 4 par. 1).^v The Law has furthermore opted in art. 6 for several enforcement authorities, including the Ministry of Energy, Commerce and Industry, the Office of the Commissioner of Communication, and the Office of the Commissioner for Personal Data Protection. Moreover, the Council of Ministers may designate any other authority as competent authority when deemed necessary in accordance with the DSA provisions.

Art. 6 CYDSA recognises that the Coordinator operates within a complex institutional structure comprising various competent authorities with sectoral or thematic expertise. The law thus delineates areas of primary jurisdiction for each competent authority by clear reference to respective DSA articles, while precluding exclusive jurisdiction in cases of overlapping subject matter. In particular:

The Coordinator is the competent supervisory authority for the implementation of the provisions relating to online advertising transparency (art. 26 par. 1 points (a) to (c) and art. 28 DSA) and the protection of minors online (art. 28 DSA).

The Ministry of Energy, Commerce and Industry is competent for supervising providers of intermediate services regarding the implementation of certain provisions primarily related to consumer protection and commercial communication transparency including: Ensuring online platforms provide functionalities for users to declare if their content contains commercial communication (art. 26 par. 2 DSA), overseeing platform liability under consumer protection law related to distance contracts and how products/services are presented (art. 6 par. 3 DSA), monitoring that platforms publish clear and accessible terms and conditions, including detailed content moderation policies and complaint handling with special attention to services directed to minors (art. 14 DSA), supervising the traceability of traders on online platforms by ensuring platforms collect, verify and make available trader information to consumers (art. 30 DSA), requiring platforms to design their interfaces to enable compliance with product safety and legal obligations (art. 31 DSA) and ensuring platforms inform consumers about illegal products/services purchased and publicly announces such cases when direct notification is not possible (art. 32 DSA).

The Office of the Commissioner of Communications is competent for supervising providers of intermediate services relating to the application of the liability exemptions under art. 4, 5 and 6 DSA. In particular, the Commissioner oversees that providers acting as mere conduits, transmitting

information without initiating, selecting recipients or modifying content, comply with their liability protections and respond appropriately to judicial or administrative orders to terminate illegal transmission (art. 4 DSA). Similarly, providers offering caching services are monitored to ensure they do not alter cached data, follow recognised industry standards and promptly remove or disable access to unlawful content upon notification (art. 5). For hosting services, the Commissioner ensures providers are not liable for stored illegal content unless they have actual knowledge or awareness, in which case they must act swiftly to remove or disable access; additionally, the Commissioner verifies that providers do not exercise control over user content except under specific consumer protection circumstances, and enforces related consumer protection obligations concerning platforms facilitating distance contracts with traders (art. 6). The Commissioner holds investigative and enforcement powers, including complaint handling, sanctioning and coordination with national and EU bodies, thereby balancing the protection of intermediary providers' liability with prompt action against illegal content in the digital environment of Cyprus.

The Office of the Commissioner for Personal Data Protection is primarily competent for supervising and enforcing obligations related to the processing of personal data and privacy within the framework of the DSA and in close alignment with the GDPR (Regulation (EU) 2016/679). Specifically, the Commissioner of Data Protection ensures that providers of online platforms and intermediary services comply with data protection rules concerning the use of personal data in online advertising including the prohibition of profiling based on special categories of personal data (art. 26 par. 3) and the protection of minors from profiling-based advertisements when the provider is reasonably certain the recipient is a minor (art. 28 par. 2 and par. 3). The Commissioner also oversees the lawful processing of personal data in relation to the transparency of online interfaces and advertisement targeting parameters as stipulated in art. 26 par. 1 point d, while ensuring that these practices respect the rights and fundamental freedoms protected under the GDPR. This role entails collaboration with the Coordinator and other national and European authorities to guarantee that data protection principles are upheld in the digital services environment, including handling investigations, complaints and sanctioning unlawful data processing practices within the scope of the DSA^{vi}.

II. Legal Status and Independency of the Digital Services Coordinator

The new legal framework under CYDSA and RTO provides that the Coordinator must be independent and impartial. Procedural independence is generally safeguarded, as the Coordinator enjoys autonomy in convening sessions, conducting investigations, and issuing decisions. Nonetheless, concerns exist since the Coordinator's BOD is appointed by the President of the Republic following nominations from political parties.

Moreover, the Coordinator must perform its role transparently and in full protection of citizens' fundamental rights, including freedom of expression, freedom of information, business freedom, non-discrimination, and high level of consumer protection with a particular focus on minors (s. art. 6 RTO amending art. 8A of the Main RTO). Notwithstanding the ongoing evolution of the media ecosystem, the protection of minors has long constituted a fundamental regulatory objective in European media and communications policy, as reflected in successive legislative frameworks, including the Audiovisual Media Services Directive, its 2018 revision, and more recently the Digital Services Act. The 2018 revision of the Directive introduced the obligation of the providers of video sharing platforms under the jurisdiction of Member States to take appropriate measures to protect minors from programs, user-generated videos and audiovisual commercial communications which may impair their physical, mental or moral development. The Digital Services Act imposes additional obligations on digital platforms, particularly those designated as very large online platforms to mitigate risks to minors and ensure safe and trusted digital sphere. The new framework also provides for a fixed-term (renewable) contractual appointment for the Director of the Coordinator, with safeguards to avoid conflicts of interests (employment prohibitions for individuals and relatives with stakes in relevant media or digital service providers).

Pursuant to art. 50 DSA Member States must ensure that their Digital Services Coordinators have all necessary resources to carry out their tasks, including sufficient technical, financial and human resources to adequately fulfil their supervisory role and that it has sufficient autonomy in managing its budget.

The Report of the Internal Affairs Committee of the Parliament of Cyprus highlighted however concerns about the effective and genuine operational independence of the Coordinator under the implementation of DSA in CYDSA^{vii}. In particular the Competent Authorities expressed their concerns about ongoing resourcing and the need for sufficient staffing to effectively meet their statutory obligations. In particular, the Chairwoman of the Cyprus Radio and Television Authority voiced the Authority's disagreement with the provisions of the draft Law concerning the submission of administrative fines collected into the Republic's Consolidated Fund, the determination of the annual fee imposed on providers of intermediary services by the Minister of the Interior by decree, and the prohibition of the Authority's right to maintain reserves, as this would undermine the Authority's independence. In response to the reaction by the Cyprus Radio and Television Authority, the final enacted legislation provides that the annual fee imposed on providers of intermediary services shall be determined by circular or a decision of the Coordinator, rather than by ministerial decree, as had been stipulated in the initial draft bill. Furthermore, the Chairwoman of the Cyprus Radio and Television Authority emphasized the Authority's inability to fulfil the role assigned to it under the proposed legislative regulations due to understaffing and insufficient financial support from the state, although, as she stated, a related techno-economic study conducted by the company "KPMG" had highlighted the serious problems the Authority was facing. Finally, she recommended that, should the committee adopt the provision of the draft bill whereby fines would be deposited into the Republic's Consolidated Fund, a compensatory provision should be introduced into that bill obligating the Ministry of Finance to cover any financial deficit of the Authority. On the other hand, the representative of the Ministry of Finance stated that it is a general principle that fines imposed by supervisory authorities are deposited into the Republic's Consolidated Fund and should not constitute revenue sources for those authorities. Moreover, he expressed the ministry's disagreement with the Authority's suggestion to introduce a compensatory provision obliging the Ministry of Finance to cover any deficit the Authority might incur as a result of undertaking the role of digital services coordinator. Additionally, he informed the committee that although the ministry is examining ways to financially support the Authority, there was at the time no political decision to submit a related supplementary budget. Finally, he noted that the provision regarding the determination of the annual fee that the digital services coordinator may impose, through a decree issued by the Minister of the Interior, aims to provide flexibility for the fee to be set by the respective minister according to current conditions.

The Commissioner for Communications expressed concerns and reservations about the readiness of his Office to undertake this role, as it faces issues of inadequate funding and insufficient staffing. Therefore, he recommended that the provision in the draft Law concerning the obligation of the Republic to ensure the availability of the necessary resources to the digital services coordinator for the execution of their duties be expanded to also include securing the necessary financial resources for all competent authorities involved in implementing the proposed law. The Commissioner for the Protection of Personal Data expressed concurrence with the purposes and objectives of the draft Laws under consideration. In relation to the Regulatory Administrative Act under review, the Commissioner recommended targeted amendments regarding record keeping, with a view to ensuring compliance with the provisions of the General Data Protection Regulation (EU) 2016/679 as far as the principle of storage limitation is concerned; precisely, that personal data is retained exclusively for the time necessary for the fulfilment of the purposes for which this data is collected.

Following these observations by the competent authorities the Committee decided to amend the draft Law to include, among other things, the following:

1. The determination of the annual fee, which is calculated as a percentage of the intermediary service provider's revenue from the previous year, through the issuance of a related circular and/or

decision by the digital services coordinator instead of by a decree from the Minister of the Interior (s. art. 17(3) CYDSA).

2. The provision of the necessary financial resources for the implementation of the European Regulation to all competent supervisory authorities instead of only to the digital services coordinator (s. art. 16(2) CYDSA).

III. Core Competences and Scope of Authority

The Digital Services Coordinator's competences span a broad array of regulatory tasks. The scope of powers granted encompasses both the direct application and enforcement of the DSA and the ancillary provisions of national law enacted in accordance therewith. Art. 4 and 5 CYDSA allocate the Coordinator all functions conferred by Regulation (EU) 2022/2065, supplemented by legislative cross-reference to the Main RTO where relevant^{viii}. Central to these obligations is the obligation to foster the creation and orderly operation of the digital single market for intermediary services, as stipulated in art. 5 par. 2. The Coordinator's functions include ensuring the protection of fundamental rights, promoting legal certainty and trust in digital environments, encouraging innovation in the sector and facilitating cooperation among market actors. The Coordinator is endowed with a dual task namely with the express power to supervise both audiovisual media services as well as all forms of intermediary services falling under the DSA and CYDSA. It is authorised to sue and to be sued, acquire or dispose property, employ experts, and create committees for all purposes directly or indirectly related to its functions under DSA and CYDSA. The Coordinator is also mandated to cooperate with competent authorities and with other authorities in the Republic in order to ensure the implementation of the DSA, CYDSA, and RAA 218/2025 (art. 7 CYDSA). Moreover, the Coordinator participates and represents the Republic in the DSA Board pursuant to art. 9 CYDSA.

With the enforcement of the CYDSA the Coordinator emerges as a central institution with an overarching authority which has both competences in terms of coordination of the enforcement of the DSA but also as a Competent Authority; while art. 5 CYDSA is about competences and responsibilities of the Coordinator, art. 6(a) CYDSA mandates the competences and responsibilities of the Radiotelevision and Digital Services Authority. Therefore, all the aforementioned competences and responsibilities are exercised in practice by the same agency.

IV. Investigatory and Corrective Powers of the Coordinator

The Coordinator enjoys extensive investigatory powers as set forth in art. 8. These include the authority to investigate complaints against providers of intermediary services within its jurisdiction, request information from the intermediary service providers and relevant third parties, summon witnesses, require the submission of documents and conduct on-site inspections subject to due process safeguards such as mandatory judicial warrants for residential searches. In the event of non-compliance or breaches CYDSA provides for strong enforcement mechanisms. The Coordinator has the power to issue notifications of infraction, require remedial submissions, impose effective and proportionate interim or final measures and levy administrative fines. Moreover, the Coordinator is empowered to initiate legal proceedings for the recovery of regulatory fees, fines and related sanctions. In the event of criminal breaches, the Coordinator may apply for injunctive relief from the courts and to order the removal of providers from the national registry. CYDSA provides moreover that the Coordinator is vested with the responsibility to collect and enforce all fees and fines under the DSA legal framework. According to art. 18 CYDSA the fees imposed pursuant to art. 16 CYDSA and any other amount go to the Coordinator's Fund. On the other hand, art. 19 provides that any fines imposed by the Coordinator or any other competent authority is collected by the Coordinator or the competent authority and submitted to the State Fixed Fund^{ix}. Article 19 of CYDSA evidences a departure from the regulatory design set out in the draft bill, which provided that annual fees would be determined by decree issued by the Minister of Interior and collected by the same authority. Following objections raised by the Coordinator, as well as concerns expressed at the Parliamentary Committee of the Internal Affairs, regarding the need to safeguard Coordinator's independence and

financial viability, the legislator ultimately opted for an alternative arrangement, providing that the annual fees shall be paid into the Coordinator's Fund.

With regards to the powers of investigation in respect of the conduct by providers of intermediary services the relevant secondary regulation is pertinent as it defines the procedures for the submission and examination of complaints by the DSC and establishes its ex officio power to initiate examinations of potential violations. Pursuant to Articles 6 – 10 of RAA 218/2025 the Coordinator is tasked with defined procedures for assessing and examining complaints, including the obligation to maintain registries documenting such complaints.

Article 6, specifies the permissible methods for lodging complaints and outlines practical procedures through which the public may submit complaints against providers of intermediary services; for instance, it stipulates that residents of the Cyprus may submit complaints by hand-delivery or post to the premises of the Coordinator; by fax or email to the contact information published on Coordinator's official website or through an online form available on the website of the Coordinator. In this last case the article requires the Coordinator to prepare and make accessible a standardised complaint form, which shall be also available at its premises.

Par. 3 of sec.1 art. 6, however, clarifies that such a complaint form is not mandatory; a complaint is valid on condition that it contains necessary information and evidence indicating a potential infringement of the Law. It should be noted that telephone submission of complaints is not recognised as a valid method under art. 6, except for cases relating to the content of audiovisual media service providers. The exception is not mentioned in DSA art. 6 but derives from RTO and RAA 10/2000.

Art. 6 should be read in conjunction with art. 10, which sets out the procedures for examining complaints. Art. 10 delineates the procedural framework that the Coordinator must follow when adjudicating potential infringements, specifying the expected timeframe for issuing decisions and providing that terms of reference shall define the scope of the investigation and determine the remit of the Coordinator's staff in the examination of complaints. This article further emphasises key principles, such as the protection of personal data, the right of the provider under investigation to express views and opinions on alleged violations, and the safeguard of due process in accordance with administrative law. The analysis of the Articles in the discussed secondary regulation accentuates a firm stance on data protection and security.

Art. 9 and 8 are likewise relevant to the examination of complaints. Art. 9 mandates the power of the Coordinator for ex officio investigation of potential infringements and establishes investigative procedures for such cases are equivalent to those followed for examining complaints lodged by the public. Article 8 imposes an obligation on the Coordinator to keep registries regarding the complaints submitted and the investigations conducted while underscoring the importance of personal data protection. Collectively, the provisions of these Articles reflect a comprehensive regulatory framework that emphasizes procedural rigor, transparency, and the safeguarding of data and fundamental rights.

V. Registry Management and Public Transparency

A core pillar of the Coordinator's function is the maintenance of a national electronic registry of intermediary service providers (art. 13 CYDSA). The registry records detailed information on providers' identities, legal representatives, contact details and categories of intermediary services provided. All these data must be updated and the Coordinator must be notified within a strict deadline of 10 days after any amendment occurred. The Coordinator is responsible for setting the registration procedures, template documentation as well as any necessary information or other documents that the providers might be required to submit to the registry.

The Commissioner for Personal Data Protection agreed with the purposes and objectives of the bills. Regarding the regulations under discussion, she suggested specific amendments concerning the maintenance of records so that the procedures comply with the provisions of the General Data Protection Regulation (EU) 2016/679, particularly regarding data retention limitations^x.

In relation to the obligation of the Coordinator to maintain registries, article 8 of RAA 218/2025 is also pertinent. It stipulates that the Coordinator shall maintain both, in electronic and printed form registries regarding the complaints submitted as well as the actions taken during the examination, evaluation, and investigation of the complaints. Paragraph 2 of the article provides for the timeframe that these registries are maintained. Both paragraphs of article 8 underline the protection of personal data and the compliance with the provisions of the General Data Protection Regulation.

The subject of personal data is further regulated under Article 5 of the RAA 218/2025, which provides for protection of handling and processing personal data. Pursuant to par.2 of art. 5 the Coordinator may address the Commissioner for Personal Data Protection asking for her opinion on any matter falling within the remit of the Coordinator and which is relevant with the protection of personal data collected, administered, or processed by the Coordinator. Evidently, this article fosters the cooperation between the Coordinator and competent authorities, in this case, the Office of the Commissioner for Personal Data Protection. Furthermore, Article 5 provides for the remit of the Coordinator to issue circulars laying down the procedures regarding accessibility, administration and secure processing of the personal data collected.

VI. Financial Oversight, Budgetary Resources and Fee Setting

The Coordinator's financial autonomy is guaranteed through the establishment of a dedicated fund, financed directly from administrative fines, annual and ad hoc fees charged to service providers and any additional amounts as provided by Law (s. art. 16-18 CYDSA). CYDSA provides that these revenues are ring-fenced within the Coordinator's budget, exclusively for covering the operational and enforcement costs of the Coordinator and relevant authorities.

The law further mandates the rational adjustment of fee level in subsequent years based on revenue surpluses in prior periods. The fee structure itself is subject to the Coordinator's regulatory discretion within reasoned and transparent criteria. The Coordinator may vary or exempt fees, particularly for small-scale market participants or providers with limited geographic scope. The annual fee is calculated as a percentage determined by a circular or a decision of the Coordinator, based on the revenue of the natural or legal person in the previous year (art. 17 par. 3). In addition to the annual fee, the Coordinator may impose additional fees, provided there is a need to cover expenses (art. 17 par. 4). The Republic has the responsibility to ensure that the Coordinator and other competent authorities have the necessary resources for carrying out their tasks (art. 16 par. 2)^{xi}. The provision emphasizes the need for the Coordinator to acquire financial autonomy, logistical infrastructure, and the appropriate human resources in order to become truly independent. For this to happen, these conditions must be effectively ensured in practice. As is evident from the explanatory report of the law, the Coordinator, represented by its Chairwoman, expressed concerns about whether the provision stipulating that the fines imposed will be deposited into the state's general fund rather than the Coordinator's fund actually serves this purpose and guarantees the genuine independence of the Coordinator.

VII. Right of Appeal

The Coordinator's decisions are immediately enforceable, and their implementation does not require approval from any state or other body. Aggrieved parties retain the right to seek judicial review against the decisions of the Coordinator and or the other competent authorities before the administrative court. Par. 2 of art.14 CYDSA grants aggrieved parties the right to judicial review under article 146 of the Constitution of the RoC.

VIII. Accountability, Reporting and EU Participation

The Coordinator has an obligation to prepare and disseminate an activity report to the European Commission, the European Digital Services Board, other competent authorities and the public (art. 15 CYDSA). The activity report must be published in machine readable format on the Coordinator's

official website in order to increase transparency and public accountability. For the purposes of preparing this activity report competent authorities are required to provide the Coordinator with all relevant information as per Art. 55 of the DSA. This information shall be submitted in the form and within the timeframe specified by the Coordinator. As the oversight body the Coordinator has full discretion to specify the information required to be submitted by the competent authorities, the format and the relevant timeframe for its submission.

3. Sanctions and Offences

The effective enforcement of the DSA at national level depends not only on the appointment of a robust supervisory legal structure but also on the creation of credible and proportionate sanctioning mechanisms. Art. 19-22 CYDSA provide a detailed legal framework governing administrative sanctions and criminal liability. This third part of the CYDSA functions as a bridge between substantive regulatory obligations and practical enforcement.

I. Administrative Fines and Offences (art. 19 CYDSA)

Art. 19 sets forth that administrative fines shall be imposed on intermediary service providers found in breach of the provisions either of the DSA or of the CYDSA. The power to impose such fines lies with the Coordinator or the relevant competent authority as determined by the specific distribution of competences elaborated in art. 6 CYDSA. The legislative framework requires that in each case the decision to impose an administrative fine -and its quantum- must observe the analytical guidance and duration of the infringement, the intent or negligence of the operator, the existence of systematic or repeated non-compliance, the economic capacity and the market coverage of the provider, the existence of cross border operations and the provider's cooperation in remedying the infringement and mitigating its consequences.

CYDSA establishes quantitative ceilings for fines: a maximum of six percent (6%) of the provider's annual worldwide turnover for substantive infringements, and up to one percent (1%) for breaches involving inaccurate, incomplete or misleading information, failures to respond or rectify incorrect, incomplete or misleading information, or refusal to permit inspection. For continuing infringements, CYDSA authorizes a daily monetary penalty capped at five percent (5%) of the average worldwide turnover or income of the provider, calculated from the specific date stated in the decision. CYDSA mirrors exactly the DSA thresholds (a. art. 52 par. 3 and par. 4 DSA).

CYDSA mandated that the fines are to be collected by the Coordinator or by the relative authority and deposited into the State Fund. As previously mentioned, this provision of CYDSA has been criticized by the Coordinator as it raised concerns that the channeling of this income to the State Fund and not to the Coordinator's own Fund would undermine its financial independence.

II. Criminal Offences (art. 20 CYDSA)

Art. 20 CYDSA provides that any person who, by act or omission, violates provisions of the DSA is subject to criminal liability. Upon conviction, the offender may be penalized with up to one year of imprisonment, a financial penalty not exceeding 10.000 euros or both. For continuing infringements, the law authorizes a daily monetary penalty capped at five percent (5%) of the average daily worldwide turnover or income of the provider, calculated from the specific date stated in the decision. The Court adjudicating an offence under the CYDSA has the authority to issue interim or final order -prohibitive, preventive, mandatory or suspensive- with a view to ending, suspending or preventing the repetition of the act or omission constituting the offence.

Part III of CYDSA, namely art.19 and 20, referring to the sanctioning and offence regime, introduces proportionality between administrative and criminal sanctions, and explicitly defines detailed criteria to be considered when the Coordinator adjudicates and imposes sanctions. This ensures accountability, transparency, and fairness.

5. Conclusions

The Cypriot legislative framework for the implementation of the Digital Services Act (DSA), embodied in the CYDSA, the amended RTO, and the RAA 218/2025, represents a significant step toward aligning national regulation with the ambitious objectives of the European Union's digital governance model. By designating the Radio Television and Digital Services Authority as the Digital Services Coordinator, the legislature has established a central supervisory body endowed with far-reaching investigatory, corrective, and sanctioning powers. This institutional design situates Cyprus within the broader European regulatory architecture, ensuring participation in the Digital Services Board and promoting cross-border coordination. The CYDSA demonstrates an explicit commitment to procedural guarantees, data protection, and the protection of fundamental rights, while also laying down mechanisms of accountability and transparency through reporting obligations and public registries.

Yet, the Cypriot approach also reveals structural vulnerabilities. The decision to channel administrative fines into the State Fund, rather than retaining them within the Coordinator's own budget, risks undermining the financial autonomy that is indispensable for genuine regulatory independence. While the legislature amended certain provisions to mitigate the risk of executive overreach, questions remain about whether resource allocation and staffing will be adequate to sustain robust enforcement. These concerns are amplified by the Coordinator's dependence on political appointment processes, which may expose it to external pressure and dilute its impartiality. The possibility of political or economic influence cannot be overlooked, particularly in a regulatory domain where powerful intermediary providers operate across national and transnational markets.

At the same time, the CYDSA advances a sanctioning system that reflects proportionality and due process, aligning administrative fines and criminal penalties with European standards. By codifying detailed criteria for the imposition of fines and ensuring judicial review of the Coordinator's decisions, the framework attempts to strike a balance between effective enforcement and the protection of individual rights. The incorporation of GDPR principles further demonstrates an awareness of the interdependence between data protection and digital services regulation.

In conclusion, the Cypriot transposition of the DSA presents both promise and challenge. It establishes a comprehensive regulatory framework with a strong institutional backbone, but its long-term success will depend on whether formal guarantees of independence can be matched with material resources and institutional safeguards. The enduring test for the CYDSA will be its ability to resist political interference, ensure financial sustainability, and foster public trust, thereby contributing not only to the effective enforcement of the DSA but also to the consolidation of the digital market and the protection of fundamental rights in online environment.

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Abbreviations

The following abbreviations are used in this manuscript:

DSA	Regulation (EU) 2022/2065
CYDSA	Law of 2025 on the Implementation of Regulation (EU) 2022/2025 on a Single Market for digital Services
RTO	Radio and Television Organisations (Amendment) Law of 2025
Main RTO	Radio and Television Organisations Laws of 1998 to 2023
RAA 218/2025	Regulatory Administrative Act 218/2025
GDPR	General Data Protection Regulation (EU) 2016/679

BOD Board of Directors

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ⁱ L. 122(I)/2025. The text is available in the Greek language here: https://www.cylaw.org/nomoi/enop/non-ind/2025_1_122/full.html

ⁱⁱ L.7(I)/1998. The text is available in the Greek language here: https://www.cylaw.org/nomoi/enop/non-ind/1998_1_7/full.html

ⁱⁱⁱ Regulations on the Implementation of Regulation (EU) 2022/2065 on the Single Market for Digital Services (Procedures and Functioning of the Digital Services Coordinator) 2025 RAA218/2025. The Text is available in the Greek language here: https://cрта.org.cy/assets/uploads/pdfs/%CE%9A.%CE%94.%CE%A0.%202182025_5959%2018%207%202025%20PARARTIMA%203o.pdf.

According to the Parliamentary Report, the proposed regulations to establish a legislative framework regarding the designation of the Coordinator and the assignment of necessary powers and responsibilities were submitted to the House of Representatives on 5 December 2024. The Parliamentary Committee expressed its discontent at the late submission of the bills, through a related letter to the Minister of the Interior dated 9 December 2024, stressing that because of their overdue submission to Parliament and the need for their immediate advancement to the plenary, the Committee was not afforded sufficient time for an in-depth review of the proposed legislation.

^{iv} Unless the Member State concerned has assigned specific tasks or sectors to other competent authorities.

^v Art. 3 of the Radio and Television Organizations (Amendment) Law of 2025, L. 123(I)/2025 Nr. 5047, 11.07.2025. The authority was previously called Cyprus Radio Television Authority but was changed

eventually by art. 3 par. a. RTO, so that its new name encompasses its new role and broaden competences as the Coordinator under CYDSA.

^{vi} The Office of the Commissioner for Personal Data Protection investigated potential infringements of the General Data Protection Regulation (GDPR) by Aylo Freesites Ltd, an online pornographic platform designated as a Very Large Online Platform (VLOP) by the European Commission on 20 December 2023. Following the investigation, the Commissioner fined Aylo Freesites Ltd €48,000 for GDPR violations and additional €10,400 for the unlawful use of cookies, with the company duly discharged the total amount within the prescribed deadline. The Commissioner's decision, published on 28 March 2025, identified the company's failure to comply with several key data protection principles, including the principles of accountability, transparency, lawfulness, data minimisation, storage limitation, data security, as well as the requirement to establish a valid legal basis for the processing of personal data. The relevant press release by the Office of the Commissioner for Personal Data Protection is available here, though only in Greek: <https://www.dataprotection.gov.cy/dataprotection/dataprotection.nsf/All/8C4D25CE028CC72BC2258C5B0046E2B9?OpenDocument>.

Also, an article on Data Guidance is relevant: <https://www.dataguidance.com/news/cyprus-commissioner-fines-aylo-freesites-eu58400-data>

^{vii} Internal Affairs Committee of the Parliament of Cyprus, 'Report of the Internal Affairs Committee of the Parliament of Cyprus on the bills and regulations in the attached appendix' 2025. Meeting 1st of July 2025. The Report is available in the Greek language here:

<https://www.parliament.cy/images/media/redirectfile/4-6.%20%CE%95%CE%9A%CE%98%CE%95%CE%A3%CE%97%2023.01.065.217-2024,%2023.01.065.216-2024,%2023.03.061.180-2024%20EK%20DSA.pdf>, p. 5.

^{viii} Art 5 par. 1 CYDSA provides that the Coordinator should exercise its powers according to DSA, CYDSA and the provisions of subsections (a) to (d) of par. 3 of art. 3, par. 4 of art. 3, art. 3B, art 4 to 8A, art. 9 and art. 40 and 41 of the Main RTO.

^{ix} State Fixed Fund

^x Internal Affairs Committee of the Parliament of Cyprus, 'Report of the Internal Affairs Committee of the Parliament of Cyprus on the bills and regulations in the attached appendix' 2025. Meeting 1st of July 2025. The Report is available in the Greek language here:

<https://www.parliament.cy/images/media/redirectfile/4-6.%20%CE%95%CE%9A%CE%98%CE%95%CE%A3%CE%97%2023.01.065.217-2024,%2023.01.065.216-2024,%2023.03.061.180-2024%20EK%20DSA.pdf>, p. 7.

^{xi} Internal Affairs Committee of the Parliament of Cyprus, 'Report of the Internal Affairs Committee of the Parliament of Cyprus on the bills and regulations in the attached appendix' 2025. Meeting 1st of July 2025. The Report is available in the Greek language here: Report of the Internal Affairs Committee of the Parliament of Cyprus, available in the Greek language here:

<https://www.parliament.cy/images/media/redirectfile/4-6.%20%CE%95%CE%9A%CE%98%CE%95%CE%A3%CE%97%2023.01.065.217-2024,%2023.01.065.216-2024,%2023.03.061.180-2024%20EK%20DSA.pdf>, p. 6-7.