



Cyprus at a glance



**Note:** Unless otherwise noted all statistical data refers to the area of the Republic of Cyprus controlled by the government of Cyprus and does not apply to the area under military occupation by Turkey since 1974.

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# Cyprus at a Glance



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## The Republic of Cyprus

### The State

Official name of state: Kypriaki Demokratia (Greek), Kıbrıs Cumhuriyeti (Turkish), Republic of Cyprus (English).

Independence Day: 1 October.

Cyprus gained its independence from British colonial rule in 1960. In 1974 Turkey invaded Cyprus and occupied 36,2% of its sovereign territory. A ceasefire line still runs across the island and cuts through the heart of the capital, Lefkosia (Nicosia), dividing the city and the country.

Although its northern part is under foreign occupation, the Republic of Cyprus is internationally recognised as the sole legitimate state on the island with sovereignty over its entire territory, including the areas occupied by Turkey.

### The Flag

The flag of the Republic of Cyprus was defined in 1960 when Cyprus became an independent sovereign state.

The background is white with a copper-coloured (pantone 1385 C) silhouette of the map of Cyprus in the centre of the flag above two crossed olive-green-coloured (pantone 574 C) olive branches. The copper colour has a dual symbolism: first, the name of the island is said to derive from an ancient word for copper (Eteocypriot or Sumerian); and second, copper is closely associated with Cyprus since antiquity when the island became a major producer and supplier of this mineral resource. The olive branches are symbols of peace.

### The Emblem

The Emblem of the Republic of Cyprus depicts a white dove carrying an olive branch in its beak and placed inside a shield in the colour of copper (pantone 1385 C), a metal directly related to Cyprus since ancient times; the year of the independence of Cyprus, "1960", also in white, appears underneath the dove; the shield is braced by two olive-green-coloured (pantone 574 C) olive branches, which along with the white dove constitute symbols of peace.

# Government

Cyprus is an independent sovereign Republic with a presidential system of government. The constitution provides for separate executive, legislative and judicial branches of government with independent powers. The President is both Head of State and Government.

## Executive Presidency

According to the 1960 Constitution, the President is to be Greek Cypriot elected directly by the Greek Cypriot community and the Vice-President is to be Turkish Cypriot elected directly by the Turkish Cypriot community, for a five-year term of office.

The Constitution provides that executive power is exercised jointly by the President and the Vice-President, through a Council of Ministers appointed by them (seven and three ministers respectively). Both the President and the Vice-President have the

right of final veto on decisions of the Council of Ministers and laws or decisions of the House of Representatives concerning foreign affairs, defence and security. In 1964, however, the Turkish Cypriot Vice-President and the three Turkish Cypriot ministers withdrew from the government and since then the government has been functioning by necessity only with Greek Cypriots in all ministries, which have been subsequently increased to eleven. The post of Vice-President remains vacant.

## Council of Ministers

The Council of Ministers exercises executive power in all matters. Each Minister is the head of his or her Ministry and exercises executive power on all matters within that Ministry's domain.

The Government Spokesman and the Deputy Minister to the President are also present at the meetings of the Council of Ministers.





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## Legislature

### House of Representatives

Legislative authority is exercised by a unicameral House of Representatives. Its members are elected for a five-year term. At the time of its establishment the House consisted of 50 members, 35 of whom were to be Greek Cypriots and 15 Turkish Cypriots. In 1985 the number of seats was increased to 80, 56 allocated to Greek Cypriot members and 24 reserved for Turkish Cypriot deputies.

Following the withdrawal of the Turkish Cypriot members in 1964, the House has been functioning only with the Greek Cypriot members.

The Maronite, Armenian and Latin religious groups, which vote as part of the Greek Cypriot community, elect one additional representative each from their ranks. These non-voting representatives attend meetings, but do not participate in the House deliberations. They are consulted on issues of particular interest to their respective group.

The President of the Republic of Cyprus is invested in office by the House of Representatives.

Since the vacancy of the Vice-President's office in 1964, the President of the House serves as Acting President of the Republic in the absence or temporary incapacity of the President of the Republic.

## Judiciary

The judiciary is established as a separate power, independent from the other two branches of the state and autonomous in its sphere of competencies, authority and jurisdiction.

### The Supreme Court

The Supreme Court is the highest court and is composed of thirteen judges, one of whom is the President. It has jurisdiction to examine the constitutionality of any law or any conflict of power or competence which arises between any organs or authorities of the Republic. In addition, it hears and determines any recourse by the President of the Republic regarding the compatibility with the constitution of any law enacted by the House of Representatives. As the final **Appellate Court** of the Republic, it has jurisdiction to hear and determine all appeals from lower courts in civil and criminal matters. Functioning as the **Electoral Court**, it has the power to hear and determine petitions concerning the interpretation and application of the Electoral Laws. It also functions as an **Admiralty Court** with original and appellate jurisdiction.

## First Instance Courts

The principal First Instance Courts are the District Courts operating in every district of the Republic with the exception of the occupied areas. They are composed of District Judges, Senior District Judges and Presidents of District Courts. The other First Instance Courts are: the Assize Courts, the Military Court, the Industrial Disputes Court, the Rent Control Courts, the Family Courts and the newly established Administrative Court.

## Judges

First Instance Judges are appointed, transferred, promoted and are subject to the disciplinary jurisdiction of the Supreme Council of Judicature (composed of the members of the Supreme Court), whereas Supreme Court Judges are appointed by the President of the Republic.

## Independent Officers and Bodies

There are also independent officers and bodies which do not come under any ministry, including the: Attorney-General and Auditor-General who head the Law Office and Audit Office respectively; Governor of the Central Bank; Ombudsman (Commissioner for Administration); Financial Ombudsman; Public Service Commission; Education Service Commission; Directorate General for European Programmes, Coordination and Development; Treasury; Cyprus Energy Regulatory Authority; Commission for the Protection of Competition; Commissioner of Electronic Communications and Postal Regulation; Commissioner for Personal Data Protection; Commissioner for State Aid Control; Commissioner for the Protection of Children's Rights; Law Commissioner; Commissioner for the Environment; Commissioner for Humanitarian Affairs and Overseas Cypriots; Commissioner for Volunteering and Non-governmental Organisations; Tenders Review Authority; Internal Audit Service; Cyprus Radio Television Authority; Cyprus Securities and Exchange Commission.





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## The Central Bank of Cyprus

The Central Bank of Cyprus was established in 1963 as an autonomous institution. Today, the Central Bank is governed by the Central Bank of Cyprus Law of 2002, as this was amended in 2007. This Law ensures the Bank's independence as well as compatibility with the relevant provisions of the Treaty establishing the European Community and the Statute of the European System of Central Banks and of the European Central Bank. The Central Bank of Cyprus is an integral part of the Eurosystem, which comprises the national central banks of the euro area countries and the European Central Bank.

The main functions of the Central Bank include:

- implementing the European Central Bank's monetary policy decisions,
- holding and managing the official international reserves,
- supervising banks,
- safeguarding the stability of the financial system,
- promoting, regulating and overseeing the smooth operation of payment and settlement systems, and
- acting as banker for the government.

## Local Authorities

There are two types of local authorities: Municipalities and Communities, which are governed by separate laws. In principle, Municipalities constitute the form of local government in urban and tourist centres, while Communities constitute the local structure in rural areas. Mayors and Community Presidents are elected directly by the residents for a five-year term.

## Municipalities and Communities

Any Community may become a Municipality by local referendum subject to the approval of the Council of Ministers, provided it has either a population of more than 5.000, or has the economic resources to function as a Municipality. The main responsibilities of Municipalities are the construction, maintenance and lighting of streets, the collection, disposal and treatment of waste and environmental protection and improvement.

The functions of Communities are generally similar to those of Municipalities, although structurally different. The government provides to most Communities essential administrative and technical assistance through its District Offices.



# International Relations

Cyprus maintains very good relations with a considerable number of countries and the objective of its foreign policy is to have an active involvement in processes that aim to promote international co-operation, peace, stability, and sustainable development.

Cyprus has always been a dedicated supporter of human rights, the sovereignty and territorial integrity of States, and a strong advocate of international peace and security. Its geographic position enables it to play a role both in the Eastern Mediterranean region and within the European family. Its accession to the European Union initiated a new era in its relations with third countries, thus becoming a bridge of communication between the European Union and these countries. Cyprus seeks to explore synergies, optimize resource development and create opportunities through interstate and regional collaboration, to the benefit of peace and prosperity in the wider Eastern Mediterranean.

In this respect, the discovery of substantial amounts of hydrocarbons in the region has opened up new possibilities for cooperation, not only between the countries of the region, but also between the EU and those countries through Cyprus.

The Republic of Cyprus is a member of many international organisations including:

- The United Nations (1960) and most of its specialised agencies
- The Council of Europe (1961)
- The Commonwealth (1961)
- The World Bank (1961)
- The International Monetary Fund (1961)
- The Organisation for Security and Cooperation in Europe (1975)
- The World Trade Organisation (1995)





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## Member of the European Union

On 1 May 2004 the Republic of Cyprus became a full member of the EU. Accession to the EU was a natural choice for Cyprus, dictated by its culture, civilisation, history, its European outlook and adherence to the ideals of democracy, freedom and justice.

The application of the EU laws and regulations (the *acquis communautaire*) is suspended in the area under military occupation by Turkey, pending a solution to the occupation and forcible division of the country. Meanwhile, the government, in cooperation with the EU Commission, has been promoting arrangements to facilitate increased economic transactions between the two communities and improve the standard of living of Turkish Cypriots.

While Cyprus has a lot to benefit from EU membership, it also has a lot to offer as a member state. Strategically situated at the crossroads of Europe, the Middle East, North Africa and Asia, Cyprus is becoming an even more important regional business centre, as well as an international communications and transport hub.

Given its modern infrastructure, sound legal system, tax incentives, low crime rate and well educated

labour force, Cyprus is a favourite regional operations platform for European and other international companies.

Since its accession to the EU, Cyprus has undergone significant structural reforms that have transformed its economic landscape. Trade and interest rates have been liberalised, while price controls and investment restrictions have been lifted. Private financing has been introduced for the construction and operation of major infrastructure projects and monopolies have been abolished.

The political context that has been created since the accession to the EU impacts positively on the efforts to reach a comprehensive settlement to the division of Cyprus that will reunite its people and reintegrate its economy.

Cyprus held the Presidency of the Council of the European Union for the first time from July – December 2012. During this period an agreement on the Unitary Patent Package and on the Single Supervisory Mechanism (SSM) was reached, negotiations for a Free Trade Agreement with Japan were launched, while the same negotiations with Singapore were completed. Significant progress was also achieved on the Multiannual Financial Framework and the Common European Asylum System.





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## Location and Area

Cyprus is a small island of 9.251 km<sup>2</sup> (3.572 square miles), extending 240 km (149 miles) from east to west and 100 km (62 miles) from north to south. It is strategically situated in the far eastern end of the Mediterranean (33° E, 35° N), at the crossroads of Europe, Africa and Asia, and in close proximity to the busy trade routes linking Europe with the Middle East, Russia, Central Asia and the Far East.

## Topography

Cyprus has two mountain ranges: the Pentadaktylos range, which runs along almost the entire northern coast, and the Troodos massif in the central and south-western parts of the island which culminates in the peak of Mount Olympus, 1.953 m above sea level. Cyprus' coastal line is indented and rocky in the north with long sandy beaches in the south. Between the two ranges lies the fertile plain of Messaoria.

## Climate

Cyprus has a Mediterranean climate: hot dry summers from June to September and mild, wet winters from November to March, which are separated by short Autumn and Spring seasons of rapid change in weather patterns in October, April

and May. Sunshine is abundant during the whole year, particularly from April to September when the daily average exceeds eleven hours.

## Flora and Fauna

Seventeen percent of the island is woodland. The natural vegetation includes forests of evergreen and deciduous trees, shrubs and flowers. The flora comprises about 1.800 indigenous species, sub-species and varieties. About 140 or 7% of these are endemic to Cyprus. The Cyclamen (*Cyclamen cypricum*) has been declared Cyprus' national plant, while the Golden Oak (*Quercus alnifolia*) has become the island's national tree.

The fauna of Cyprus includes some 7 species of land mammals, 26 species of amphibians and reptiles, 365 species of birds, and a great variety of insects, while the coastal waters of the island give shelter to 197 fish species and various species of crabs, sponges and echinodermata.

The largest wild animal that still lives on the island is the Cyprus moufflon, a rare type of wild sheep that can only be found in Cyprus.





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## Population

- 947.000 (December 2016) :**
- 74,6% (706.800) Greek Cypriots
  - 9,8% (92.200) Turkish Cypriots [estimate]
  - 15,6% (148.000) foreign residents and workers
- Population density:**
- 102 persons per km<sup>2</sup>

## Vital Statistics (2016)

Birth rate	11,1 per thousand
Death rate	6,4 per thousand
Growth rate	0,8%
Life expectancy (males)	80,3
Life expectancy (females)	84,7

## Districts

## Population (Dec. 2016)

Lefkosia (Nicosia)	332.200
Lemesos (Limassol)	239.400
Larnaka (Larnaca)	144.900
Pafos (Paphos)	91.300
Ammochostos (Famagusta)*	47.000

\* *Government controlled area*

## Towns

## Population (Dec. 2016)

**Lefkosia (Nicosia) [Capital of Cyprus]**

**244.200**

**Lemesos (Limassol)**

**182.600**

**Larnaka (Larnaca)**

**85.700**

**Pafos (Paphos)**

**64.400**

## Towns under Turkey's occupation

## Population\*

**Ammochostos (Famagusta)**

**38.960**

**Morfou (Morphou)**

**7.466**

**Keryneia (Kyrenia)**

**3.892**

*\* Micro-Census, April 1973*





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## Languages

Greek and Turkish are the official languages. English is widely spoken.

## Religion

Greek Cypriots are predominantly Christian and adhere to the Autocephalous Greek Orthodox Church of Cyprus. Turkish Cypriots are predominantly Sunni Muslims, while Maronites belong to the Maronite Catholic Church, Armenians predominantly to the Armenian Apostolic Orthodox Church and Latins to the Latin Catholic Church.

## Cultural Heritage

- Neolithic settlements (Choirokoitia)
- Classical, Hellenistic and Roman monuments (Salamina, Ancient Odeon of Pafos, Mosaics from the House of Dionysos in Pafos)
- Byzantine and Latin churches and monasteries (the Church of Panayia Phorviotissa-Asinou, the Church of Ayios Nikolaos tis Stegis, Kykkos Monastery)

- Medieval castles and fortresses (Venetian Walls of Nicosia, St Hilarion Castle, Kantara Castle, Voufavelto Castle)
- Mosques (Hala Sultan Mosque, Bayraktar Mosque).

Special effort is made to protect and preserve the cultural heritage in the Turkish occupied areas.

## Multiculturalism

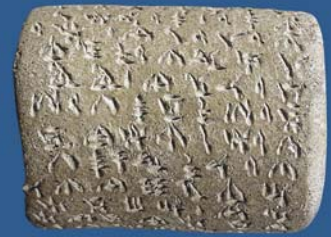
Geographically, Cyprus is at a crossroads of civilisations and a bridge between cultures.

Cyprus has been conquered by many powers at various periods and has managed to assimilate various cultural influences. Its geographic and strategic position has turned it into an example and prototype of harmonious coexistence of different cultures. Dispersed throughout its territory are historic and religious monuments of varying styles, themes and philosophies.

As an EU member state, this advantage contributes to the promotion of principles on which the European ideals are based, that is, the peaceful coexistence, cooperation, respect for diversity and the seeking of a convergence of ideas.







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## History

Cyprus' civilisation, according to archaeological evidence, goes back 12.000 years to the 10th millennium BC (early Neolithic Period or Stone Age). The island acquired its Greek character after it was settled by the Mycenaean-Achaean Greeks between the 13th and 11th century BC. In the mid-9th century BC Phoenician settlers began to arrive, concentrating mainly in the coastal city of Kition. Subsequently, Cyprus came, in turn, under Assyrian, Egyptian and Persian domination (8th - 4th century BC). It became part of the Roman Empire between 30 BC and 330 AD. It was then that Christianity came to Cyprus.

However, it retained its Greek identity and, as part of the Ptolemaic dynasty during the Hellenistic period (310-30 BC) and of the Greek-speaking world of Byzantium (330 AD-1191), its ethnic heritage was kept alive. The Greek language and culture also prevailed throughout the centuries that followed even though Cyprus came under the rule of successive foreign powers – King Richard I (the Lionheart) of England and the Knights Templar (1191-1192), the Franks (Lusignans) (1192-1489), Venetians (1489-1571), Ottoman Turks (1571-1878) and British (1878-1960).

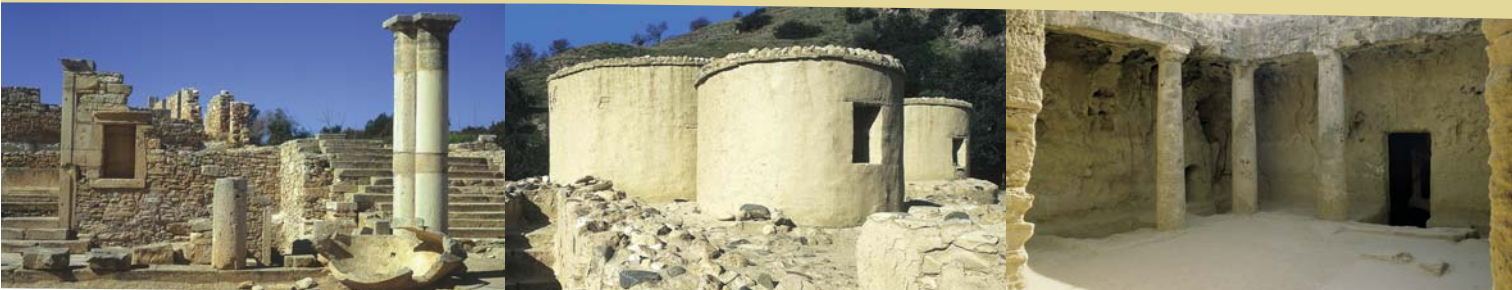
The Greek Cypriots mounted an anti-colonial liberation struggle against British rule from 1955 to 1959. In 1960 Cyprus gained its independence and became a constitutional Republic. Greece, Turkey and Britain were to stand as guarantors of the country's independence under the Zurich-London Agreements and Britain would retain two sovereign base areas. The military bases, one at Akrotiri/Episkopi and the other at Dhekelia, cover 2,7% of the island's territory.

Political power was to be shared between the Greek and Turkish Cypriots on a 7:3 ratio. This gave the Turkish Cypriot community (a numerical minority of 18% of the population) 30% representation in the government and state institutions. In addition, the Turkish Cypriot community had veto rights on major issues.

Relations between the two communities had for centuries been peaceful and amicable. However, certain provisions of the Zurich-London Agreements and the 1960 Constitution (which were effectively imposed on the people of Cyprus) were to prove conducive to domestic conflict and foreign

interference. The Constitution itself emphasised differences between Greek and Turkish Cypriots thereby encouraging divisive rather than integrative tendencies between the two communities. Greek Cypriots were determined to strengthen the unity of the state but the Turkish Cypriot leadership, at the strong urging of Turkey, sought ethnic segregation and geographic separation. This led to brief intercommunal clashes during 1963 to 1967 and air attacks and threats to invade by Turkey. Turkish Cypriots ceased to participate in the government, the legislature and civil service in 1964.

UN sponsored intercommunal talks to reach a settlement were held during 1968-1974. Intercommunal tensions subsided and violence virtually disappeared during this period. The UN Peacekeeping Force in Cyprus (UNFICYP) (currently less than 900 military persons) was established in 1964, following the outbreak of intercommunal clashes in December 1963 and threats by Turkey to invade. Its chief task now is to supervise the buffer zone and maintain the 1974 UN ceasefire, given that more than 40.000 troops from Turkey are still occupying the northern part of the island.





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## Military invasion and occupation by Turkey

On 15 July 1974, the military junta then ruling Greece, with the collusion of Greek Cypriot collaborators on the island, carried out a coup to overthrow the democratically elected government of Cyprus. On 20 July, Turkey, using the coup as a pretext and in violation of international codes of conduct established under treaties to which it is a signatory, invaded Cyprus purportedly to restore constitutional order. Instead, it seized 36,2% of the sovereign territory of the Republic of Cyprus in violation of the UN Charter and fundamental principles of international law.

Turkey's military aggression against Cyprus continues unabated for more than four decades in spite of UN resolutions calling for the withdrawal of foreign troops from Cyprus.

The invasion and occupation had disastrous consequences: Thousands were killed and about 180.000 Greek Cypriots living in the north – over a third of the total population – were displaced from their homes. Another 20.000 were enclaved in the occupied area and gradually forced through intimidation and denial of their fundamental human rights to abandon their homes and seek refuge in the government-controlled area. Today, there are about 410, mostly elderly, enclaved people.

Moreover, Turkish Cypriots from around the island were forced by Turkey and their leadership, to move to the occupied area in line with Turkey's policy of ethnic segregation.

Some 1.400 Greek Cypriot civilians and soldiers went missing during the invasion. Many were in Turkish custody and some were seen in prisons in Turkey and the occupied area before their disappearance. The fate of all but a few is still not known because Turkey refuses to cooperate fully in resolving this humanitarian issue.

Furthermore, the policy of transferring settlers from Turkey to the occupied areas has changed demographics to such an extent that these illegal settlers outnumber the Turkish Cypriots by almost two to one. This has obvious significant social and political consequences for the Turkish Cypriots themselves, who repeatedly express their disapproval about the influx of settlers. As a result, thousands emigrated abroad.

The Turkish invasion and occupation caused an economic collapse in the northern part of the island, which until 1974 was the richest and most developed. Additionally, 70% of the island's productive potential at the time of the invasion was lost and 30% of the population became unemployed.





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Much of the rich cultural heritage in the occupied areas has been destroyed and vandalised and places of worship have been desecrated. This crime has been perpetrated largely by the Turkish army and Turkish nationals and still goes on with the collusion of the occupying power.

UN General Assembly and Security Council resolutions, resolutions adopted by numerous other international organisations, as well as decisions by international courts, reflect the universal condemnation of Turkey's invasion and all subsequent acts of aggression against Cyprus; demand the return of the refugees to their homes in safety and the tracing of the missing persons, and call for respect for the human rights of all Cypriots as well as for the independence, sovereignty and territorial integrity of Cyprus.

Moreover, the European Court of Human Rights has found the government of Turkey responsible for gross and systematic violations of human rights in Cyprus.

Successive rounds of UN-sponsored talks between the Greek and Turkish Cypriot communities since 1974 to resolve the Cyprus problem and reunite the country have been undermined by Turkey and the Turkish Cypriot leadership, which have sought a settlement that would leave Cyprus permanently divided.

On the other hand, the government of Cyprus and the Greek Cypriots consistently support the genuine reunification and reintegration of the country.

On 24 April 2004, a proposal by the UN Secretary-General (Annan Plan V), for a comprehensive settlement of the Cyprus problem, was put before the people of Cyprus for a vote in separate, but simultaneous referenda by the two communities. A clear majority of 75,8 % Greek Cypriots rejected the Plan because they felt that it was not balanced and did not meet their main concerns regarding security, functionality and viability of the solution. By their vote, Greek Cypriots rejected that particular and seriously flawed Plan, which was put before them, because it did not lead to the genuine reunification of the island and the reintegration of its people, institutions and economy. In contrast, 64,9 % of the Turkish Cypriot community (including votes from illegal colonists from Turkey) voted in favour of the Plan.

The overwhelming defeat rendered the Annan Plan null and void, according to its own stipulation. Nevertheless, the government of Cyprus has remained committed to the Secretary-General's mission of good offices and to a sustained process that would facilitate a comprehensive settlement. It has therefore tried to revive the peace process to find a mutually acceptable solution that addresses the legitimate concerns of all the people of Cyprus.





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Consistent with this outlook, on 8 July 2006, the President of Cyprus, Tassos Papadopoulos, and the leader of the Turkish Cypriot community signed an agreement on a "Set of Principles" for the solution of the Cyprus problem. They reaffirmed the commitment of the two communities to reunify Cyprus on the basis of a bizonal, bicomunal federation and agreed on procedures to prepare the ground for comprehensive negotiations towards that end.

Despite the setback caused by the refusal of the Turkish side to honour that agreement, the UN process was revived in 2008, following the election of President Demetris Christofias, through direct talks between the leaders of the two communities. However, this process was interrupted in the spring of 2012 when the Turkish side refused to cooperate for the continuation of the talks to resolve outstanding issues.

Soon after his election in 2013, President Nicos Anastasiades undertook initiatives in order to create a new impetus in a new round of talks, such as presenting a package-proposal to restore mutual trust between both communities. The UN-led peace talks resumed following the appointment of a Greek Cypriot and a Turkish Cypriot interlocutor, while the President of the Republic and the then Turkish Cypriot leader, Dervis Eroglu, agreed on a Joint Declaration on 11 February 2014, that set the framework and the basic principles for a settlement of the Cyprus problem and clarified the methodology to be followed.

However, the talks were suspended after provocative actions by Turkey in Cyprus' EEZ and were re-launched on 15 May 2015, following the election of Mr Mustafa Akinci to the leadership of the Turkish Cypriot community. Up to June 2017, negotiations proceeded intensively and significant progress was reached on an important number of issues. Regrettably, the international Conference on Cyprus, which was mainly focused on security and guarantees post-settlement, (Crans Montana of Switzerland, 28 June – 07 July 2017), concluded without result, due to Turkey's insistence to have the right to unilaterally intervene in Cyprus, to retain an anachronistic system of guarantees and to permanently maintain troops in Cyprus after the settlement.

President Anastasiades has repeatedly vowed to work tirelessly in order to end the unacceptable status quo in Cyprus and reach a functional and comprehensive settlement that will not only enhance the country's regional role, but will also contribute to the stability and prosperity of the region, turning Cyprus into a paradigm of peaceful coexistence in a turbulent neighbourhood.

It is aspired that a viable, lasting and functional settlement will ensure that Cyprus will remain a modern EU and UN member-state, enjoying full sovereignty, independence and territorial integrity.







## Economy

Even though the political problem remains unresolved, the free market economy in the government-controlled area made remarkable recovery since 1974. The economic success was attributed to, among other factors: the adoption of a market-oriented economic system, the sound macroeconomic policies of successive governments, as well as the existence of a dynamic and flexible entrepreneurial community and a highly educated labour force. During the last three decades, the Cyprus economy turned from agriculture to services and light manufacturing. Cyprus is, today, a major tourist destination as well as a modern economy, offering dynamic services with an advanced physical and social infrastructure. On 1 January 2008, the Republic of Cyprus joined the Eurosystem and introduced the euro as its official currency, replacing the Cyprus pound.

The international economic crisis had a major impact on the economy of Cyprus and as a result, the Government was compelled to apply for assistance to the support mechanism provided by the EU Commission, the European Central Bank and the IMF (the "Troika"). A loan agreement as well as a macroeconomic adjustment programme (Memorandum of Understanding - MoU) were concluded with the Troika in the spring of 2013, aiming at restoring economic stability.

Three years later, on 31 March 2016, Cyprus exited the economic adjustment programme, having successfully implemented its provisions addressing fiscal, banking and structural challenges, signaling that Cyprus is coming out of the recession.

Eurogroup, IMF and EU officials have commended Cyprus on its hard work and commitment as well as on the important achievements made, including but not limited to the impressive turnaround of the economy which returned to positive growth in 2016, expanding by about 3,4%, the stabilisation of the banking sector, the restoration of the fiscal position to a sustainable path, the reduction of public debt, the regained access to international capital markets and the continuous upgrades of its creditworthiness by international rating agencies.

It is emphasized that the government has proclaimed its commitment to maintain prudent macroeconomic and fiscal policies and to continue promoting structural reforms. It also aims at maintaining Cyprus' advantages, such as its sophisticated infrastructure and favourable tax system, so as to further improve the competitiveness of the economy.

Moreover, the forthcoming natural gas explorations in the Exclusive Economic Zone (EEZ) of Cyprus are expected to reveal sizeable reserves of natural gas, which will have significant revenue implications for Cyprus in the medium term.

Sector	% Contribution to GVA* (2016)
Primary (mainly Agriculture)	2,1%
Secondary (mainly Manufacturing and Construction)	11,3%
Tertiary	86,6%

*\*Gross Value Added*

## Other Economic Data 2016

Per capita income	EUR 21.060
Inflation (CPI)	-1.4%
Rate of Growth	3,4%
Unemployment	12,9%
Labour force	417.069
Employment	363.060





## Foreign Business and Shipping

The strategic location of Cyprus, its favourable tax environment, educated work force, excellent telecommunications and modern banking and legal infrastructure, make the country an ideal business bridge for the European Union and the Middle East.

Cyprus' friendly entrepreneurial environment and supporting facilities compare favourably with those of the best established centres in the world. It is considered to be a primary international business centre among approximately 50 countries offering similar facilities.

Foreign investors can register a company directly with the Registrar of Companies and obtain a licence, if needed, from the appropriate authority. Cyprus is also an important shipping centre and has in its registry one of the largest merchant fleets in the world with 1.663 (2016) registered vessels. Moreover, it is a major ship-management centre, with some 60 ship-management companies operating in its territory. Several of these companies rank among the largest of their kind in the world.

## Services

The tertiary or services sector in 2016 accounted for 86,6% of GVA (Gross Value Added). The Services Sector offers to business people a comprehensive range of services from accounting and banking to legal services, information technology, business consulting, design, engineering, shipping and marketing, health care and education. These, in conjunction with the competitive fees charged, and the professional attitude of Cypriot service providers, account for the transformation of the island into a highly reputable and reliable business centre.

The tourism sector has a contribution of vital importance to the economy. In 2016 3,2 million tourists visited Cyprus, mainly from the UK (36,3%), Russia (24,5%), Scandinavian countries (6,6%), Greece (5,0%) and Israel (4,7%), generating a revenue of €2,4 billion.

The remarkable resilience of both tourism and the professional services sector, displayed in the aftermath of the economic crisis, has been commended by credit rating agencies and has led to a less pronounced recession than originally expected, greatly aiding the process of quick economic recovery.

## Energy

In order to strengthen the security of energy supply, improve the country's energy efficiency and enhance its geostrategic role, it was decided to commence hydrocarbon exploration within Cyprus' EEZ. To date, three Licensing Rounds for hydrocarbon exploration have been launched: in 2007, 2012 and 2016. The first two Licensing Rounds led to the completion of six Exploration and Production Sharing Agreements for an equal number of Blocks of the Cyprus EEZ, while the third round concluded three additional contracts. In June 2015, the commerciality of the Aphrodite gas field was announced in exploration block 12 confirming the existence of recoverable natural gas reserves of about 4.5 trillion cubic feet. This declaration constituted a significant milestone to Cyprus' transition from the hydrocarbons exploration phase to that of exploitation. Additionally, in February 2018, the initial analysis of results of the 'Calypto 1' exploratory drilling, within Block 6 of the Cyprus EEZ, revealed a new gas discovery, which is being evaluated.

At the same time, the Government is in the process of exploring options of best conduct regarding its economic policy on prospection, discovery and exploitation of hydrocarbons, while promoting the intermediate prospects that are being created for investments along the entire chain of the hydrocarbons industry.

## Secondary Sector

The secondary sector (mainly manufacturing and construction) in 2016 accounted for 11,3% of GVA. The main industries are food and beverages, chemical, pharmaceutical, rubber and plastic products, non-metallic mineral products and metal products.

## Industrial Development

The regeneration and modernization of industry is an important pillar of development for the government. The main goal is to gradually increase the contribution of industry to GVA. To achieve this goal, the Government is preparing a New Industrial Policy aimed at facilitating and developing industrial activity through the implementation of a targeted action plan. The policy focuses on resolving the structural problems of industry, developing sustainable development / production infrastructures, improving the industrial environment, digital transformation, skills development, increased access to finance and boosting trade, extroversion and investment.





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## Imports/Arrivals

Imports/arrivals are classified according to their economic destination i.e. consumer goods, fuels and lubricants, intermediate inputs, transport equipment and capital goods. In 2016, the European Union remained the main source of supply of goods to Cyprus, with a share of 65,8% of total imports/arrivals. Major suppliers within the Union were Greece, Germany, Italy, the United Kingdom, France and the Netherlands.

## Exports/Dispatches

Major exports of domestic products include pharmaceutical products, fossil fuels and oils, cheese (including the Cypriot specialty 'halloumi'), cement, potatoes, fruit and vegetable juices, fish and waste and scrap of paper, glass and metal. In 2016, dispatches to European Union countries accounted for 41,3% of total domestic exports, with the UK, Greece and Germany being the main markets. In addition, 9,9% of total exports were absorbed by the Middle East countries, while 8,0% by Asian countries.

## Transshipment

On account of its geographical position, Cyprus has developed into an important transshipment centre with a large volume of re-exports going mainly to EU countries. The value of re-exports in 2016 accounted for 64,5% of total exports.

## Primary Sector

The contribution of agriculture, livestock farming and fisheries to GVA in 2016 accounted for 2,1%. The main crops are potatoes, cereals, citrus fruits, grapes and olives. Livestock farming is mainly in cattle, sheep and goats, pigs and poultry. Fish production derives mainly from inshore and trawls fishing as well as marine aquaculture.

## Natural Resources

The island's natural resources are copper, gypsum, timber, marble, bentonite and earth pigment, but none exist in significant quantities. Water is a scarce resource in Cyprus. The problem has been met by the construction of dams and desalination plants.

## Health and Social Welfare

Health care in Cyprus is provided by the Government Medical Services and the private medical sector. Currently, there are six government general hospitals, two government rural hospitals, one government psychiatric hospital and 39 government health centres, as well as 74 private hospitals, clinics and day care centres and a large number of practices offering a wide range of specialised medical services. The ratio of persons per doctor was 264 in 2016.

A comprehensive social insurance scheme covers every working male and female citizen and their dependants. The benefits and pensions from this scheme include unemployment, sickness, maternity, widows, injury at work, old age and death. Moreover, as part of a wider reform of the welfare and social solidarity system, the government introduced in 2014 a new Guaranteed Minimum Income scheme.

There is also a broad range of welfare services provided by the government, including children's day care centres, old people's homes, and facilities for the disabled, the elderly, free housing for displaced persons resulting from Turkey's military invasion, rent subsidies and financial assistance to community organisations.

## Education

Education is provided through pre-primary and primary schooling, secondary general and secondary technical vocational schools, post-secondary non-tertiary education institutions, special schools, higher and tertiary education institutions and non-formal institutions and centres. Education is compulsory up to the age of 15. Free education is provided for pre-primary, primary, secondary and post-secondary non-tertiary education in public schools as well as for undergraduate programmes of higher education in public universities. Cyprus has three state universities: the University of Cyprus and the Open University, both located in Lefkosia, and the Cyprus University of Technology located in Lemesos. There are also five private universities and 40 colleges and institutions of higher education.

Cyprus ranks high in terms of third-level education with the vast majority of those completing secondary school continuing their studies. Moreover, the international dimension of education is important in Cyprus, where international students can receive high quality higher education in a safe, friendly environment at an affordable cost.





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## Culture

Great importance is attached to the promotion of culture with emphasis on the promotion of literature, music, dance (modern and classical), the visual arts, cinema and theatre. In addition, a special arts festival, the “Kypria”, is organised annually and hosts artists and ensembles of international acclaim from Cyprus, Greece and many other countries, including opera, theatre, music and dance performances, as well as cinema and visual arts exhibitions.

There are also a number of museums including the Cyprus Museum in Lefkosia, which is the largest archaeological museum on the island. The museums contain exhibits representing the history of the island and include ceramics, sculpture, metal objects, jewellery, tomb groups, Byzantine icons, as well as objects of traditional arts and crafts.

Furthermore, the State Gallery houses on a permanent basis the State Collection of Contemporary Cyprus Art, while it periodically hosts important exhibitions from abroad as well as retrospective exhibitions of the pioneers of the Cyprus visual arts. The Leventis Gallery houses almost all the works of the A.G. Leventis Collection and it is the only gallery in Cyprus containing paintings from the European history of art.

Additionally, the Cultural Services of the Ministry of Education and Culture organise exhibitions of contemporary Cypriot artists both in Cyprus and abroad, as well as exhibitions within the framework

of cultural exchanges with other countries or in collaboration with overseas museums and art institutions. They also arrange or support the participation of Cypriot artists in large international exhibitions.

## Media

Cyprus enjoys total freedom of speech. Freedom of expression and media are safeguarded by the Constitution and the relevant Press and Radio and Television Station Laws.

As of mid-2018 there are:

- four daily newspapers in Greek and one in English and a large number of weekly and periodical newspapers and magazines in circulation
- eight island-wide free to air TV channels
- 18 island-wide and 25 local radio stations
- one news agency (Cyprus News Agency).

In addition, there are a number of private subscription cable and satellite TV networks. Cyprus serves also as a base for a number of international news media outlets and correspondents covering the broader Middle East region.

During recent years there have also been a fast growing number of online media outlets in both Greek and English.









# KYPROS - CYPRUS





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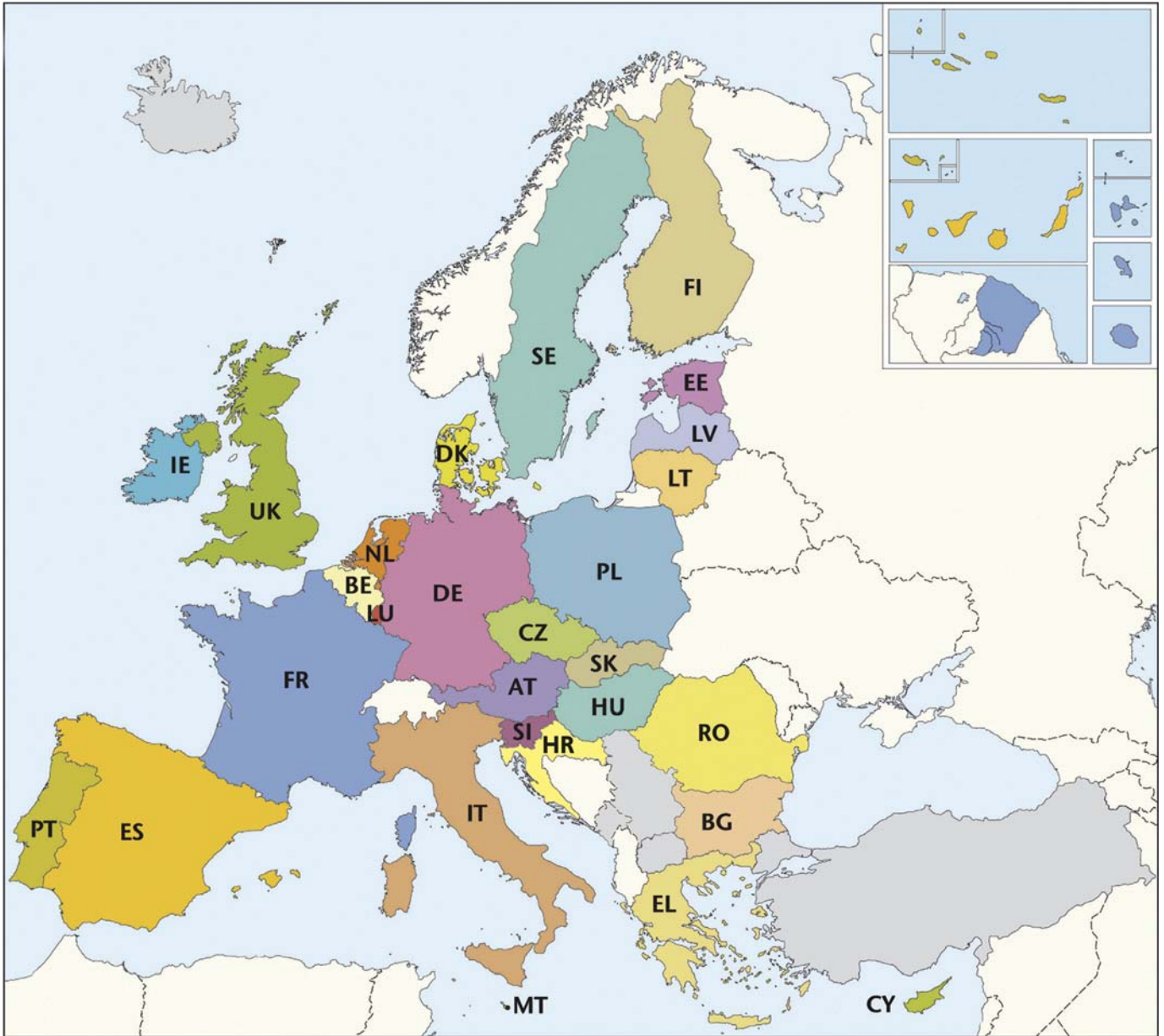
## Geophysical Map of Cyprus



REFERENCE	
Motorway	
Main road	
Rivers	
Lakes	
Town	
Community	
Airport	
UN Ceasefire Line (1974)	
District Boundary	
UK Sovereign Base Area Boundary	

Prepared by Lands and Surveys Department  
Kypros, November 2011

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The European Union

# CHRONOLOGY

## The history of Cyprus dates to the 10th millennium BC

<b>2nd and 1st millennium BC</b>	Mycenean and Achaean Greeks settle in Cyprus bringing Greek culture to the island.
<b>30BC - 330AD</b>	Cyprus a province of the Roman Empire.
<b>330AD - 1191</b>	Cyprus a province of the Byzantine Empire.
<b>1191 - 1571</b>	Cyprus under the rule of the Crusaders, the Order of the Knights Templar, the French Lusignans (1192–1489) and the Venetians (1489–1571).
<b>1571 - 1878</b>	Cyprus under Ottoman rule.
<b>1878</b>	Cyprus leased by the Ottoman Empire to Britain.
<b>1914</b>	Cyprus annexed by Britain following Turkey's alignment with Germany in WWI.
<b>1923</b>	Under the Treaty of Lausanne Turkey relinquishes all rights to Cyprus.
<b>1925</b>	Cyprus declared a British crown colony.
<b>1931</b>	First Greek Cypriot uprising against British rule.
<b>1954</b>	Greece brings the issue of self-determination for Cyprus to the UN General Assembly.
<b>1955 - 1959</b>	Anti-colonial liberation struggle against British rule.
<b>1959</b>	Under agreements negotiated in Zurich and London by Greece, Turkey and Great Britain, Cyprus is granted independence.

- 1960 - 16 August** Proclamation of the Republic of Cyprus.
- 1963** President Makarios submits constitutional amendments for discussion which are rejected by Turkey and the Turkish Cypriot leadership. Insurrection by Turkish Cypriot extremists.
- 1964** Arrival of UN Peacekeeping Force (UNFICYP). Turkey bombs and threatens to invade Cyprus.
- 1967** Turkey again threatens to invade Cyprus.
- 1968** Start of UN-sponsored talks between the Greek and Turkish Cypriot communities to resolve the inter-communal conflict.
- 1974 - 15 July** Coup against the government of the Republic of Cyprus organised by the military junta of Greece.
- 1974 - 20 July** Turkey invades Cyprus and in a two-phase operation occupies 36,2% of the Republic.
- 1983** The Turkish Cypriot leadership, with Turkey's support, unilaterally declares the "Turkish Republic of Northern Cyprus" ("TRNC") in the Turkish occupied areas of the Republic of Cyprus. The UN Security Council and all major international organisations condemn the action and call for the respect of the independence, sovereignty and territorial integrity of the Republic of Cyprus. The Security Council declares the secessionist act "legally invalid".
- 1990** The Republic of Cyprus applies for membership in the EEC.
- 1998** Accession negotiations between Cyprus and the EU commence.
- 2003 - 16 April** The Republic of Cyprus signs the Treaty of Accession to the EU in Athens.
- 2004 - 24 April** Greek Cypriots overwhelmingly reject the Annan Plan (version V) on the Cyprus problem, because it did not meet their main concerns. Turkish Cypriots support the plan.



- 2004 - 1 May** The Republic of Cyprus becomes a member of the European Union.
- 2006 - 8 July** The President of Cyprus and the Turkish Cypriot leader agree on a set of principles (The 8 July Agreement) to guide the peace process on Cyprus.
- 2008 - 1 January** Cyprus joins the Eurozone.
- 2008 - 3 September** The President of Cyprus and the Turkish Cypriot leader launch direct, fully-fledged negotiations on the Cyprus problem.
- 2010 - 1 October** The Republic of Cyprus celebrates its 50th anniversary.
- 2012 – 1 July – 31 December** The Republic of Cyprus holds its first Presidency of the Council of the European Union.
- 2014 - 11 February** The President of Cyprus and the Turkish Cypriot leader agree on a Joint Declaration on the re-launching of the talks on the Cyprus problem.
- 2015 – 15 May** Resumption of talks on the Cyprus problem between the President of the Republic and the new Turkish Cypriot leader, under the auspices of the United Nations.
- 2017 – 28 June – 7 July** International Conference on Cyprus at Crans Montana, Switzerland, concluded without result, due to Turkey's insistence to have the right to unilaterally intervene in Cyprus, to retain an anachronistic system of guarantees and to permanently maintain troops on Cyprus after the settlement.

## REFERENCES

**For further information please consult the following websites:**

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Presidency of the Republic of Cyprus – [www.presidentcy.gov.cy](http://www.presidentcy.gov.cy)

House of Representatives – [www.parliament.cy](http://www.parliament.cy)

Press and Information Office – [www.pio.gov.cy](http://www.pio.gov.cy)

Ministry of Foreign Affairs – [www.mfa.gov.cy](http://www.mfa.gov.cy)

Ministry of Defence – [www.mod.gov.cy](http://www.mod.gov.cy)

Ministry of Agriculture, Rural Development and Environment – [www.moa.gov.cy](http://www.moa.gov.cy)

Ministry of Justice and Public Order – [www.mjpo.gov.cy](http://www.mjpo.gov.cy)

Ministry of Energy, Commerce, Industry and Tourism – [www.mcit.gov.cy](http://www.mcit.gov.cy)

Ministry of Labour, Welfare and Social Insurance – [www.mlsi.gov.cy](http://www.mlsi.gov.cy)

Ministry of Interior – [www.moi.gov.cy](http://www.moi.gov.cy)

Ministry of Finance – [www.mof.gov.cy](http://www.mof.gov.cy)

Ministry of Education and Culture – [www.moec.gov.cy](http://www.moec.gov.cy)

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