



CYPRUS  
CHAMBER OF  
COMMERCE AND  
INDUSTRY

# ANNUAL REPORT 2012 - 2013





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## Message by the President of the CCCI



*The president of the CCCI  
Mr. Phidias Piliades*

Dear members,

This year's annual report of the CCCI covers one of the most crucial periods of the Cypriot economy. The unwillingness of the political system, as well as our failure to take the necessary measures in order to tame the consequences of the international crisis and protect our economy, have led the Eurogroup to take violent and painful decisions, which completely reversed the fundamentals of Cypriot economy.

Everything changed overnight, and enterprises and citizens were called to directly or indirectly cover the «holes» of the banking system and public finance. The insistence and determination of the Troika and our European Partners to implement vertical and radical solutions in relation to our financial problems have brought about dramatic changes in all aspects of the country's economic life.

After the well known facts that took place, we are now in the process of healing the wounds, trying to relaunch our economy and achieving the goal of recovery- development. The Government, the Parliament, the Central Bank, the production sector and the trade unions are making collective and coordinated efforts in order to achieve the three-fold goal of relaunching - recovering - developing the economy. For the time being, many correct and useful measures have been announced in relation to almost all sectors, yet the economy is still moving at a turtle's pace. The large-scale rearrangements taking place, combined with the multitude of the wounds, do not allow the economy to heal and recover quickly.

Nine months after the adoption of the Eurogroup's decisions, we can still observe:

- serious malfunctions in the smooth functioning of the banking system;
- serious problems concerning the loans of a large number of enterprises and citizens;
- delay in the effort of restraining loan interest rates in relation to both existing and new loans;
- substantial lack of liquidity in the market, directly affecting the smooth functioning of enterprises;
- deficiencies in the effort of restraining the price for electricity, affecting the competitiveness of our economy in whole;
- serious delays in properly settling the invoices issued in relation to the enterprises' past sales;
- persistence of consumers' hesitant behaviour;
- reduction of the enterprises' turnover;
- and lack of confidence concerning the future of the economy.

All the above constitute very serious problems which must be resolved soon, if we wish for our economy to regroup and produce income for the country, the enterprises and the citizens. The European Union predicts that our economy will shrink by -13% in the 2013-2014 biennium. Rating agencies present even less favourable estimations.



We as the Cyprus Chamber of Commerce and Industry are trying to reverse these estimations. We aspire to bring about the solution of the current problems and the recovery of the economy through our interventions, our initiatives and our actions. In communicating with all responsible and jointly responsible members of the Government, the Parliament, the Central Bank and others, we try to promote policies and measures which will accelerate the alteration of the situation. After examining the circumstances and seriously taking into account our members' opinions, we proceed to submit new suggestions, fresh ideas and inventive proposals. We propose practical, feasible and efficient solutions for the economy, which we view through the lens of enterprises. We avoid theories and generalities. We demand solutions now, not in the long-term. We insist on today so that we can win tomorrow.

Along these lines, the CCCI has submitted a great amount of suggestions and proposals concerning all the sectors of our economy. In the pages of our annual report you may review the full extent and content of the multitude of initiatives we have taken.

The CCCI believes that today's circumstances are extremely difficult. It takes time and methodical work to repair the consequences we are suffering. However, we should maintain our optimism, our courage and our determination. We consider that, despite all large-scale rearrangements, our country preserves many important comparative advantages, which can help us achieve our aspiration to recover and develop.

Notwithstanding the Eurogroup's painful decisions, Cyprus still has a strategic geographical position which allows it to take advantage of commercial and business opportunities arising on its periphery and internationally. We still have an attractive tax framework, which is competitive within the European Union. We are a full member of the European Union and the Eurozone, obtaining thus many advantages within our area. We offer high-quality professional services and we have modern infrastructure in the sectors of airports, telecommunications, ports, transports etc. Our workforce is well trained according to the highest academic standards, while the Cypriot people are well-known for their diligence.

Besides the above, we should not forget God's blessing, that is, our natural gas reserves. The official announcement concerning the location of natural gas deposits of 3,6 - 6 trillion cubic feet in our Exclusive Economic Zone constitutes a turn that may change our country's course. The activities of foreign supermajor companies of the energy sector in Cyprus are already yielding results in the investment sector and in creating new employment opportunities. On the basis of the plans regarding the creation of a terminal station in Vasiliko as well as other energy projects, we believe that the energy sector will offer a great deal to our economy. If we achieve the goal of trading our natural gas as of 2018-20, energy will evidently play an extremely significant role in the economic development of our country.

Apart from the above, we must also consider the external circumstances affecting our economy. The political changes taking place in the Arabic world are expected to affect the commercial and business relations of these countries with their neighbours. Cyprus, which has been traditionally well-disposed towards the Arabic world, has a lot to gain from the new political circumstances in its neighbourhood.

Moreover, we shall not underestimate the emerging recovery of the Eurozone and the Greek economy. If the aforementioned circumstances keep developing in a positive manner, the indirect benefit for our economy will be immensely important.

This is owed to the fact that, besides what is self-evident, today Cyprus's commerce is based to a large extent on the Eurozone countries, and especially Greece. Therefore these two factors constitute very important links for our country.

All the above, and many more, are the weapons we shall utilise in order to strive for regrouping our economy and shaping its new profile for the future. These are the ingredients we shall use in order to create our new economic model.

We as the CCCI support that by exploiting our comparative advantages, by taking the right decisions and by working hard, we can reverse the negative circumstances and refute the predictions of the European Union and the rating agencies. Through efficient management and inventive policies, we can regain our status as a vigorous and prosperous economy.

Dear members,

The message we convey to you today is a message of cautious optimism. Despite all our problems and difficulties, we can still make it. We can change the course of developments and reinstate prosperity in Cyprus.

I ask you to remain close to the Chamber: if you remain close to the CCCI and the Local Chambers, we can work together in our struggle. Together, as one fist, we can make it better. Together we shall be able to change the odds. Together we shall construct new and innovative elements for our economy and our country.

I would like to conclude my message by thanking my colleagues - the members of the Executive Commission of the CCCI - for their close collaboration, the members of the Boards of Directors of the Local Chambers, the members of the CCCI Supreme Board and all the members of our Chamber in general. I would also like to thank my friend and Honorary Secretary General of the CCCI Mr. Panagiotis Loizides, my friend and Honorary Secretary General of the CCCI Mr. Marios Tsiakkis and all the personnel working in our Chambers for their contribution towards promoting the institution of the Chamber.

I sincerely thank you



*The entrance to the CCCI  
building, heart of the business  
people of Cyprus*



## Executive Committee of the CCCI

President:	Phidias Pilides
Immediate Past President:	Manthos Mavrommatis
Vice – Presidents:	Christis Hadjimitsis Christodoulos Angastiniotis Dimitris Solomonides Dinos Lefkaritis Andreas Matsis
Honorary Presidents:	Christodoulos Mavroudis Christakis Georghiades Phanos Epiphaniou Vassilis Rologis
President Nicosia CCI:	Costas Georgallis
President Limassol CCI:	Philokypros Andreou
President Famagusta CCI:	George Michaelides
President Larnaca CCI:	Othonas Theodoulou
President Paphos CCI:	George Leptos
Secretary General of CCCI:	Panayiotis I. Loizides (till 31/12/2012) Marios Tsiakkis (from 1/1/2013)



*The President and the General Secretary of the CCCI Mr. Phidias Pildes and Mr. Marios Tsiakkis at a meeting with the President of the Republic Mr. Nicos Anastasiades*



# Members of the Council of the CCCI

<b>President:</b>	Phidias Pilides
<b>Immediate Past President</b>	Manthos Mavrommatis
<b>Vice – Presidents:</b>	Christis Hadjimitsis Christodoulos Angastiniotis Dimitris Solomonides Dinos Lefkaritis Andreas Matsis
<b>Honorary Presidents:</b>	Christodoulos Mavroudis Christakis Georghiades Phanos Epiphaniou Vassilis Rologis
<b>Secretary General:</b>	Panayiotis I. Loizides (till 31/12/2012) Marios Tsiakkis (from 1/1/2013)

Nicosia Members	Limassol Members	Famagusta Members	Larnaca Members	Paphos Members
Costas Georgallis	Philokypros Andreou	George Michaelides	Othonas Theodoulou	George Leptos
Stelios Anastasiades	George Demetriou	George Mavroudis	Costas Demetriou	Yiannakis Aristodemou
Christis Christoforou	Kikoula Kotsapa	Christodoulos Neophytou	Christos Orphanides	Andreas Demetriades
Akis Kelepeshis	Andreas Laos	Petros Petrou	George Skordellis	George Mais
Dinos Mitsides	Heros Miltiadous	(till 18/12/2012)	Costakis Tofarides	Elias Myrianthous
Michalis Moushouttas	(till 14/1/2013)	Christakis Papavassiliou		
Panayiotis Papaphilippou	Yiannis Misirlis	(from 19/12/2012)		
Iacovos Photiades	(from 15/1/2013)	Loizos Shakallis		
Elena Tanou	Riginos Tsanos			

**Ex.Officio Members:** Haris Loizides, Thomas Kazakos, Alexandra Galanou



## Members of the Councils of the Local Chambers



NICOSIA CHAMBER OF  
COMMERCE AND INDUSTRY

<b>President:</b>	Costas Georgallis
<b>Immediate Past President:</b>	Christodoulos Angastiniotis
<b>Honorary Presidents:</b>	Michalakis Michaelides Costas Constantinides Manthos Mavrommatis
<b>Vice - Presidents:</b>	Iacovos Photiades Dinos Mitsides Michalis Moushouttas Akis Kelepeshis Christis Christoforou
<b>Honorary Vice President:</b>	Nicos Lakoufis Andreas Loizides
<b>Honorary Secretary:</b>	Panayiotis Papaphilippou
<b>Honorary Members:</b>	Demosthenis Severis
<b>Secretary / Director:</b>	Socrates Heracleous
<b>Members:</b>	Pambos Agrotis Stelios Anastasiades Yiannos Argyrou Iacovos Constantinides Demos Demosthenous Evgenios Evgeniou Marinos Kallis Theodoros Kringos Marios Lenas Nicos Nouris George Psimolophitis Elena Tanou Costas Zorbas
<b>Ex. Officio Members:</b>	Christakis Charalambous Michalis Sarris



LIMASSOL CHAMBER OF  
COMMERCE AND INDUSTRY

<b>President:</b>	Philokypros Andreou
<b>Immediate Past President:</b>	Dimitris Solomonides
<b>Ex. President:</b>	Tony Antoniou
<b>Honorary Presidents:</b>	Christakis Georgiades Takis Nemitsas Stathis Papadakis Michalis Polydorides Evros Stylianides Yiannakis Christodoulou
<b>Vice - Presidents:</b>	Riginos Tsanos Andreas Laos George Demetriou Costas Galatariotis Elias Neocleous Spyros Spyrou
<b>Honorary Secretary:</b>	Andreas Tsouloftas
<b>Secretary / Director:</b>	Christos Anastasiades
<b>Members:</b>	Theodotos Anthousis Akis Charalambous Elicos Charalambous Kikoula Kotsapa George Kyriacou Michalis Loizides Christos Michaelides Heros Miltiadous Xanthos Nemitsas Chrysis Petousis Michalis Petrakis Mary Protopapa
<b>Ex. Officio Members:</b>	Vassos Demetriades Giorgos Georgiou Panicos Hadjichambis Nicos Kakoullis Pericles Markaris Demosthenis Mavrellis Yiannis Misirlis Michalis Mitsingas Athos Tylliris





#### FAMAGUSTA CHAMBER OF COMMERCE AND INDUSTRY

<b>President:</b>	George Michaelides
<b>Immediate Past President:</b>	Loizos Shakallis
<b>Ex-Presidents:</b>	Christodoulos Mavroudis Phanos Epiphaniou Demetris Ioannou Takis Kyriakides Photis Papatthomas Andreas Matsis
<b>Vice - Presidents:</b>	Christodoulos Neophytou Petros Petrou (till 18/12/2012) Tonis Toumazis (from 8/4/2013) Christakis Papavassiliou Tasoulla Tsokou (till 18/12/2012) George Mavroudis
<b>Honorary Secretary:</b>	Photis Ioannides
<b>Secretary / Director:</b>	Iacovos Hadjivamavas
<b>Members:</b>	Andreas Epiphaniou Vassos Hadjithodiosiou Savvas Koshis (till 18/12/2012) Paraskevas Kyriakides Stavros Neocleous Andreas Papatthomas Avraam Pittakis (till 18/12/2012) George Phylactou (till 18/12/2012) Nicos Savvides Kyriacos Sophocleous from 8/4/2013) Chrystalleni Sozou Tonis Toumazis (till 8/4/2013) Eleftherios Triaros (till 18/12/2012) Kikis Vasiliou
<b>Ex. Officio Members:</b>	Andros Georgiou (till 18/12/2012) Giovana Liotati (till 18/12/2012)



#### LARNACA CHAMBER OF COMMERCE AND INDUSTRY

<b>President:</b>	Othonas Theodoulou
<b>Immediate Past President:</b>	Dinos Lefkaritis
<b>Ex. President:</b>	Andreas Louroutziatis
<b>Honorary Presidents:</b>	Kypros Economides Andreas Mouskos Iacovos Demetriou Kriton Georghiades Nicos Cosmas Kikis Kyriakides
<b>Vice - Presidents:</b>	Christos Orphanides Akis Lefkaritis Costas Demetriou George Skordellis Costakis Tofarides
<b>Honorary Secretary:</b>	Kikis Georgiou
<b>Secretary / Director:</b>	George Psaras
<b>Members:</b>	Nakis Antoniou Zenonas Apostolou Tassos Christoforou Andreas Georgiades Foulis Demetriou Vera Dianellou Sophoclis Filiastides George Hasapis Iasonas Iasonides Angelos Mylonas George Papachristodoulou Petros Petrides Riagos Serafim
<b>Ex. Officio Member:</b>	Iacovos Iacovou



#### PAPHOS CHAMBER OF COMMERCE AND INDUSTRY

<b>President:</b>	George Leptos
<b>Immediate Past President:</b>	Kyriacos Drousiotis
<b>Ex. Presidents:</b>	Andreas Demetriades Themis Philippides
<b>Honorary Presidents:</b>	Theodoros Aristodemou Panayiotis Charalambous
<b>Vice - Presidents:</b>	George Mais Rogiros Anastasis Yiannakis Aristodemou Andreas Ioannou Elias Myrianthous
<b>Honorary Secretary:</b>	Nikos Konikkos
<b>Secretary / Director:</b>	Kendeas Zambirinis
<b>Members:</b>	Demetris Ashiotis Chrysis Chrysanthou Andreas Demetriades George Gabriel Savvas Georgiades Kypros Kouroushis Nicos Laouris Andreas Mitas Charalambos Papantoniou Petros Petrakis Haris Tsiolis Christos Tziolis Zenon Zenonos



CCCI President Mr. Phidias  
Pilides addressing last year's  
General Meeting of the  
Chamber



Photo from last year's General  
Meeting of the Chamber



# Highest Advisory Body of the CCCI

## **The Highest Advisory Body consists of:**

1. The members of the Council of the CCCI
2. The members of the Councils of the Local Chambers
3. The Presidents and Vice - Presidents of the Professional Associations

## **Co - operation with international organisations**

- Eurochambers
- European Association of Small and Medium Sized Enterprises (UEAPME)
- Eurocommerce
- International Chamber of Commerce (ICC)
- International Labour Organisation (ILO)
- Assembly of the Mediterranean Chambers of Commerce and Industry (ASCAME)
- Association of Balkan Chambers (ABC)
- GS1- Cyprus (International Barcoding Service)
- World Association of Small and Medium Sized Enterprises (WASME)
- European Trade Promotion Organisation (ETPO)
- Euro-Med TDS

## **Auditors of the CCCI**

KPMG LTD

## **Legal advisors of the CCCI**

Antis Triantafyllides & Sons

## **Communications publicity and publications consultants of the CCCI**

fmw financial media way



*The President and the General Secretary of the Chamber Mr. Phidias Pilides and Mr. Marios Tsiakkis with the Minister of Energy, Commerce, Industry and Tourism Mr. George Lakkotrypīs*

## General Activity of the CCCI

### Economic developments

Our country has experienced the worst year of its economic life since the time of the Turkish invasion. As it is known, 2013 was accompanied by the surprising decisions of the Eurogroup, which led to losing almost all deposits in the Cyprus Popular Bank and to a 47.5% haircut on deposits in the Bank of Cyprus. 2013 has also marked the signing of the memorandum of understanding with the Troika.

Although during the entire 2012 and in the beginning of 2013 the CCCI kept pointing out towards all directions the need to adopt measures regarding public finance and the recapitalisation of the banks, and on the same time submitting detailed recommendations concerning development, unfortunately its positions were not taken into account, which resulted in the adoption of the well-known decisions of the Eurogroup.

The CCCI developed intense activity on the basis of the new circumstances since the beginning, submitting recommendations to the government and the central bank, in order to achieve the smoothest possible carrying out of business activities, the operation of the market and the handling of the critical moments of the economy in general. Despite the fact that several recommendations made by the CCCI were not reciprocated as expected, the recommendations that were finally taken into account and implemented led to improvements which brought about favourable effects to business activities.

The fundamental positions and views of the CCCI are summarised

in the joint resolution published by the pan-Cyprian meeting of the members of the business organisations CCCI and OEB (Cyprus Employers and Industrialists Federation), which was held in June 2013. In the meeting the participants discussed the problems emerging from the international monetary crisis in conjunction with the surprising decisions adopted by the Eurogroup, and ascertained that:

- The continuation of the restrictive measures on banking transactions, combined with the existing economic crisis, have led to the irrevocable shutdown of hundreds of enterprises;
- The majority of SMEs fail to fulfil their financial obligations towards the state, their collaborators and their personnel, while many of them keep dismissing personnel in order to survive;
- And unemployment is dramatically increasing, carrying the obvious risk of disturbing social coherence.

On the basis of the aforementioned ascertainties, the following actions were considered urgent:

- The establishment of close cooperation between the central bank and the government for the immediate and definitive repair and stabilisation of the banking system and the lifting of all restrictive measures;
- The government and the central bank should demand the transfer of such liquidity as it may be necessary for supporting



the banking system from the european central bank, through the emergency liquidity assistance (ela);

- And finding ways of transferring additional liquidity to the market, while on the same time reducing the interest rates in a manner that would include the restructuring and the extension of loans where necessary.

The ccci asked all the responsible institutions of the country to act collectively towards the troika's and the eurogroup's direction, in order to convince them that it is necessary to provide increased financial assistance through structural programmes, the european investment bank and other means of financial support.

The business people are optimistic that, through implementing the aforementioned recommendations and strictly observing the memorandum, the cypriot economy shall be able to recover and return to positive growth rates, also contributing in this way to the reduction of unemployment.

#### Promoting our members' interests

Promoting the business interests of the ccci members remains one of the principal concerns of the chamber. In the light of this ongoing objective and in accordance with the increased needs of its members due to the negative effects of the economic crisis on entrepreneurship, the ccci took up additional activities and participated in specialised schemes in order to lead and assist its members in dealing with the extremely difficult emerging circumstances and the increasing problems of the economy, while the chamber's activities regarding the management and the solution of the intrinsic negative aspects of the cypriot economy continued.

The programmes of action of the ccci cover the entire range of the interests of its members at the level of domestic business activity as well as at the level of cooperation in the european community and the international field in general. The chamber is systematically informed of the problems and needs of its members and it is thus able to prepare its plan of action. To this purpose, it has established close contact with its members not only at the company level, but also at the level of specialised professional associations through which joint actions are promoted in order to support the interests of various professional fields.

The information concerning various aspects which carry special interests for its members is directly obtained through special questionnaires. The activities at the communitarian and the international level include autonomous action and communication as well as deliberations with the authorities and the decision centres which are related to business activity. Through its participation in various european organisations, the ccci submits to the eu substantiated opinions and recommendations in regards

to the methodical planning of actions aiming to promote business activity.

During the period under review, the domestic actions of the ccci were based on the utmost degree of observation of the general course of the economy and business activity through the constant communication with its members and the simultaneous consultation with the authorities and the institutions, while at the international level it organized jointly with the ministry of energy, commerce, industry and tourism a number of trade missions, conferences and fora in centres abroad, in order to promote collaborations and attract foreign investments.

The permanent economic committee, presided by the vice-president for economics of the ccci, plays a coordinative and catalytic role in the drafting of the ccci's positions.

#### Domestic activities

The ccci's domestic activity continued during the period under review on an upgraded basis due to the urgent needs emerging from the economic crisis and the measures imposed by the memorandum which was signed with the troika. Under these circumstances, the ccci established systematic communication and well prepared deliberations with the government, the parliament and other responsible institutions at the highest level.

The chamber submitted and explained to the responsible institutions its positions regarding various current issues, and also presented substantiated recommendations on the management of the economy and the promotion of business activity, which suffered an extremely heavy blow leading directly to the inhibition of growth.

In the light of the above, the ccci established high-level communication with the president of the republic, the president of the parliament, the leaders of the political parties and the relevant ministers, as well as with other administrative and state officials.

Following the communications and the submission of its recommendations, the chamber is now observing the developments regarding the various issues and is urging for positive results.

During the period under review, the ccci also maintained the policy of inviting ministers and other officials to the chamber for the purpose of informing one another on issues of interest and for the exchange of views regarding the lines to be followed in order to make the appropriate adjustments.

#### Meetings with the president of the republic

During the period under review, the ccci had meetings with the former and the current president of the republic, in order to



discuss a variety of issues concerning and affecting the business people. The ccci primarily requests the creation of a friendly business climate which shall be free of bureaucratic procedures, the simplification of the legislation, the strict observance of the terms of the loan agreement, the reduction of the cost of money for the enterprises, the avoidance of imposing new taxes, the reinforcement of the role of the supervising authorities, the drastic reduction of the non-productive government expenditure and the announcement of incentives for the purpose of restarting the economy.

Special emphasis was also placed on the need to promptly and completely repair the banking sector, particularly after the decisions adopted by the eurogroup on 15 march 2013, in order to re-establish the trust of both cypriots and foreigners in the country's banking system.

The serious problem of unemployment together with the socio-economic consequences suffered by a large proportion of the population was extensively discussed during the meetings with the president of the republic. The ccci submitted its firm position that the creation of the appropriate circumstances for the reduction of unemployment may only be achieved through reactivating the private sector, and it invited the government to move forward and take up initiatives towards this direction by submitting specific recommendations. Among them we can identify the need to grant tax and urban development incentives, the speeding-up/facilitation of the granting of permissions for large projects undertaken by the private sector, the foundation of a guaranteeing organisations, the reduction of the price for electricity, the use of the bot method in the materialisation of public works, the creation of a casino and the approval of legislation on leasing.

#### Collaboration with the parliament

The parliament has a decisive role in the economic life of the country, given the fact that all the bills are submitted to the house of representatives in order to be passed as law. For the purpose of accurately informing the body regarding the views and recommendations of the business people so that the decisions adopted by the parliament contribute towards the economic progress of the country, the ccci had a meeting with the president of the house of representatives, to whom the positions of the business people were presented and explained.

During the period covered by this report, the ccci actively participated through its representatives in all the sessions of the competent parliamentary committees, where discussions took place on the proposed laws regarding issues that are directly or indirectly related to the business people. During these sessions, the chamber submits its positions and suggests amendments to the proposed laws for the purpose of fostering the growth of business

activity and enhancing the efficiency of the application of the laws.

Besides laws and regulations, the ccci representatives expressed their opinions on issues such as: the extremely high cost of electricity; renewable sources of energy; the reorganisation and the reduction of the cost of the state apparatus; the improvement of productivity; the provision of support to the industry, the research and innovation sector and real estate; and more.

#### Administration of justice

The timely administration of justice constitutes an ongoing demand of the ccci, since the survival of enterprises often depends on this. Therefore, during the period under review it kept urging the executive and legislative power to take measures to speed up the administration of justice. To this purpose, the executive committee of the ccci met with the president of the supreme court, as it is well known that cypriot courts are facing serious problems in this respect.

The issue of the timely administration of justice obtains particular importance and becomes even more imperative in periods of economic crisis such as the one we are facing now, where liquidity problems become accentuated mainly due to the delays in payments, and sometimes even the failure to repay debts.

For the above reasons, the ccci kept urging all responsible bodies to take all necessary measures, which can be summarised as follows:

- The promotion of methods of alternative dispute resolution, such as arbitration and mediation, which, apart from speeding up the administration of justice, bring about the reduction of the relevant costs;
- The establishment of specialised first instance administrative courts;
- The creation of special courts to deal with minor disputes, or even small claims courts, according to the relevant english model;
- And the establishment of a court for commercial disputes.

Special mention should be made to the passing of the law on mediation in civil and commercial cases, to which the ccci contributed substantially through its attendance and the submission of integrated views to the responsible parliamentary committee.

The law concerns both local and cross-border disputes and attributes a special role to the ccci, since being a member of the





*Meeting of the President of CCCI Mr. Phidias Pilides with the President of the European Parliament Mr. Martin Shultz*

ccci is one of the prerequisites for the inscription in the official register of mediators kept at the ministry of justice.

The ccci is moving at a fast pace towards the establishment of a special mediation service, which shall conduct mediations in relation to commercial disputes in a fair, unbiased, rapid, effective, discrete and economical manner, while keeping the procedure confidential and offering services of high standards to the parties.

It is expected that the service will be embraced by the enterprises and will contribute to a large extent to the speeding up of the administration of justice.

#### **Meetings with the governor of the central bank**

During the period under review, the banking sector experienced abrupt and catalytic developments, leading to the integral restructuring and refocusing of the way of operation, administration and supervision of the country's banking system.

The dominant factors affecting the banking system were the final closure of the popular bank, the recapitalisation of the bank of cyprus through bail-in, the passing of the control of the cooperative movement to the state after the granting of financial assistance of 1.5 billion eur through the memorandum, the decision to assign the supervision of the cooperatives to the central bank, the restrictions on transactions between the banking institutions and between enterprises, and also the extensive lack of liquidity in the market.

In the light of the above, the ccci had a series of meetings with the governor of the central bank, to whom it submitted a number of specific recommendations regarding measures which should be taken for the purpose of restoring regularity in the operation of the banking system as soon as possible, which should gradually

regain its vital role in financing the economy. In the meetings, the ccci emphasised the great importance of the need to lift the restrictions on commercial transactions and the need to reduce loan interest rates as a means of recovering economic activity. The ccci pushed for the prolongation of the repayment period of companies' existing loans through the renegotiation of the loans, the netting/offsetting of loans and deposits in the case of the two cypriot banks under rehabilitation, the release of the 40% of the deposits in the bank of cyprus, the amendment of the definition concerning non-performing loans, and for the need to resolve the grave problem arising from the delays in the cheque clearing process between banking institutions.

#### **Meetings with the troika**

The ccci was one of the organisations which the troika met each time they visited cyprus. During the period covered by this report, the ccci had 3 meetings with the troika. In the meetings, the ccci informed the troika of the course of the economy and presented specific examples regarding the difficulties and problems faced by enterprises in cyprus and abroad in carrying out their activities, especially in relation to the restrictions on banking transactions.

Among the issues raised by the ccci during the meetings was the necessity of gradually lifting the restrictions, the serious problems arising from the lack of liquidity in the market, the need to grant additional liquidity through european mechanisms, the rationalisation of the public sector and the need to resolve the structural problems of the public service (the cost of the operation of the state, the increase of productivity, the system of personnel evaluation in the public sector, the reduction of government expenditure).

#### **Financing of smes by the european investment bank**

Recognising that, especially now, it is substantially important for enterprises to have access to financial resources, the ccci met





with the representatives of the European Investment Bank and the European Investment Fund and submitted its position that the lack of liquidity constitutes the gravest problem Cypriot enterprises are facing at present. During the meeting the European Investment Bank revealed its intention to establish a financial instrument for Cyprus amounting to 100 million EUR. The CCCI suggested during the meeting that the principal components of this instrument should consist in the extended duration of loan repayment (10-12 years) and the lowest possible interest rate through a system of interest rate subsidies.

### Cyprus: the road ahead

Immediately after the Eurogroup developments, the CCCI was the first - and perhaps the only - organisation in Cyprus to proceed to the publication of a special document explaining to foreign investors what had been exactly decided for Cyprus and that Cyprus, despite the aforementioned decisions, remained a reliable and stable international business centre.

The document entitled "Cyprus: «the road ahead»" was drafted in collaboration with the publishing house "CountryProfiler" and was published in two editions, in April and June 2013, in 10,000 copies (7,000 in English and 3,000 in Russian), while it was electronically sent to the 53,000 subscribers of the Parliament Magazine. The Parliament Magazine belongs to the European Parliament and is sent to senior officials of the European Commission, to all the members of the European Parliament and to public relations and journalists' bureaus in Brussels.

This document, which included interviews with the President of the Republic Mr. Nikos Anastasiades, the Minister of Finance Mr. Harris Georgiades, the Minister of Energy, Commerce, Industry and Tourism Mr. Yiorgos Lakkotrypīs, the President of the CCCI Mr. Phidias Pilides, the President of CIPA Mr. Christodoulos Agkastiņiotis, and a number of other well-established Cypriot and foreign personalities, professionals and entrepreneurs whose activities are based in Cyprus, pointed out and reasserted the multiple advantages Cyprus continues to offer to those who choose our country as their basis for conducting their international activities.

This edition was sponsored by contributions of Cypriot organisations and companies which are active in the services sector and it received the most favourable comments from all the professionals of the international business sector in our country, while we received very positive comments regarding its usefulness and reliability from abroad.

### Information and activities in relation to the European Union

During the past period the members of the CCCI kept being intensively informed about, and in general the CCCI continued developing its activities in relation to European Union affairs.

The important relevant services of the European Union operating at the Chamber played a special role in regards to information. These services include: the European Business Support Centre of Cyprus, which is a member of the Enterprise Europe Network; the European Reference Centre; the sales office of the official publications of the European Communities; and others. The aforementioned services have rendered the CCCI perhaps the most important information agent regarding EU affairs in our country. Detailed mention to these services is made in the chapter of the annual report entitled «Information».

Information is provided to the members on a daily basis through the CCCI's relevant electronic system, but also through specialised presentations and seminars. Detailed mention to the educative activity of the CCCI is made to the chapter of the annual report entitled "Education and Training".

During the period under review, the CCCI continued being represented in a number of bodies and committees of the EU which are related to the business and socioeconomic activity, such as the Economic and Social Committee, the Committee for Social Dialogue, the Business Chamber of the Enterprise Policy Group, the Committee for Lifelong Learning etc.

On the same time, the CCCI continued being represented in a number of committees for EU affairs at the national level, such as the Advisory Committee for Planning, the Monitoring Committee of Entrepreneurial Programmes for the 2007-2013 period, the Monitoring Committee for the funding mechanism of the Economic Region and Norway, the Coordinating Committee for the transfer to the single euro payments area (SEPA), the Special Advisory Committee for the European Small Business Act, the Governance Committee for the study of the development of the smart specialisation strategy in Cyprus etc.

In addition, during the second semester of 2012, Cyprus assumed the presidency of the European Union for the first time. The CCCI participated in a significant number of conferences which were organised in this context, such as the conference for the 20-year anniversary of the European Single Market, the European Territorial Cooperation, the SMEs etc. Special mention should be also made to the annual conference of the Enterprise Europe Network, which was organised by the CCCI and the Research Promotion Foundation in the context of the Cyprus presidency. Detailed information regarding the conference is provided in the chapter of the annual report entitled «Information».

Moreover, during the period under review the CCCI participated in various information days concerning a number of EU programmes, and also in seminars related to significant policies of the EU, such as research, innovation, smart specialisation etc.

Another important activity of the CCCI, which continued during the





# CYPRUS THE ROAD AHEAD

July 2013

With a new government and financial assistance secured, Cyprus is determined to turn the crisis into an opportunity

## INTERVIEWS:

**Nicos Anastasiades** President of the Republic of Cyprus

**Harris Georgiades**  
Minister of Finance

**Yiorgos Lakkotrypis**  
Minister of Energy, Commerce,  
Industry and Tourism

**Phidias Pilides**  
President, Cyprus Chamber  
of Commerce and Industry

**Christodoulos Angastiniotis**  
Chairman, Cyprus Investment  
Promotion Agency





*The Cyprus Commissioner  
in the European Commission  
Mrs. Androulla Vassiliou at an  
event of the CCCI*

last period, was the promotion of the positions and views of the business people in relation to a great number of issues arising from the acquis communautaire and the broader policies of the EU both at the local (legislative and executive power) and the European level, either before the European Commission directly or through the European business organisations of which the CCCI is a member. Among these issues were the new programming period of the structural funds for 2014-2020, the single market act II, the euro, equal pay, public aid etc. Extensive mention to the variety of issues on which the CCCI expressed its positions and views before the European organisations in which it participates is made in the chapter of the annual report entitled "international cooperation organisations".

At the same time, the CCCI maintained its contacts with a great number of European Union officials as well as with members of the European Parliament both in Brussels and in Cyprus during their visits in our country. Special mention should be made to the meeting with the Commissioner for Education, Culture, Multilingualism and Youth Mrs. Androulla Vassiliou, where discussion took place in relation to matters falling within her competence, such as the relations between the academic and the business community, professional training, the lifelong learning programme, the use of technology in education etc.

Finally, during the period under review the CCCI actively participated in providing the European Union website "your Europe - business" with business information concerning Cyprus. The website's purpose is to provide relevant information to enterprises.

#### **Programming period of the structural funds and the cohesion fund of the E.U. for 2007-2013 and new programming period for 2014-2020**

During the period under review, the CCCI regularly participated in

the meetings of the monitoring committee for the entrepreneurial programmes "sustainable development and competitiveness" and "employment, human capital and social coherence" of the 2007-2013 period, as well as in the meetings of the monitoring committee for the Greece-Cyprus cross-border cooperation programme of the 2007-2013 period.

The CCCI, during the period under review, kept pointing out the need to absorb all the available EU funds, and especially those concerning enterprises, since we are approaching the end of the period. This need becomes particularly urgent due to the difficult situation our country has entered into after the adoption of the Eurogroup's decisions. Consequently, any loss of resources would be unacceptable and entirely unjustifiable.

In essence, the planning of the new programming period 2014-2020 began during the period under review.

The CCCI submitted its integrated positions regarding the common strategic framework of the European Union which will govern the structural funds during this period and participated in the governance committee for the study of the development of the smart specialisation strategy in Cyprus and in the relevant information events organised by the planning bureau, promoting the positions and views of the business people, as well as in the first discussion on the elaboration of the joint operational programme in relation to the cross-border cooperation "Mediterranean Sea Basin Programme" 2014-2020, by submitting specific recommendations.

Special mention should be also made to the positions and views submitted by the CCCI in relation to the draft national strategy outline for 2014-2020 and the utilisation of resources from the European structural and cohesion funds. These positions take into consideration the new needs and priorities brought



about by the eurogroup's decisions and concern the need to boost the economy's and the enterprises' competitiveness, to provide liquidity, to show openness, to emphasise the notions of "entrepreneurship" and "innovation", to further support smes, to face the problem of increasing unemployment, especially of the youth, to reduce bureaucracy, to promote research, and technology and innovation, to exploit natural gas, to promote renewable sources of energy and improve energy efficiency, to promote lifelong learning etc.

#### Relations with the turkish cypriot chambers

During the period under review, the ccci maintained its relations and contacts with the turkish cypriot chambers, aiming primarily at promoting the regulation governing trade through the green line and resolving several problems which come up, but also at promoting the business cooperation between the two communities in general. Moreover, the ccci kept providing relevant information to those interested, compiling relevant statistics on a monthly basis and publishing documents accompanying greek cypriot products which are transported through the green line. In parallel, the ccci maintained contact with the representatives of the united nations development programme (undp), which supports programmes of bicomunal cooperation, and with the representatives of the eu directorate general for enlargement dealing with the affairs of the turkish cypriot community.

The implementation of the bicomunal programme entitled "economic interdependence ii", which began towards the end of 2011 and concerned economic interdependence, was also continued. As with the first programme, the current programme is implemented by the ccci and the turkish cypriot chamber of commerce, and it is funded by the united nations development programme.

Detailed mention to this issue is made in the chapter of the annual report entitled "the participation of the ccci in programmes".

#### Simplification / improvement of the regulatory framework

During the period under review, the ccci continued participating in the special steering committee for the improvement of the regulatory framework operating under the auspices of the ministry of finance through the submission of the relevant positions and views of the business people.

At the same time it participated in relevant deliberations both at the european and the national level. Particular attention should be drawn to the deliberations concerning the implementation of the smart regulation at the european level, the law concerning tax certificates and collection, the amending bill of the laws concerning revenue stamps, the 10 most burdensome laws for enterprises at the community level etc.

The ccci consistently supports the need to constantly simplify/improve the regulatory framework, since this would bring about immense benefits to enterprises, the attraction of foreign

investments and the economy in general.

For the above reasons, the ccci welcomed the suggestions made by the relevant study prepared by the consulting company kpmg in the context of the commitment undertaken by the republic of cyprus to the european union in relation to reducing the administrative workload by 20% until the end of 2012.

The ccci notes that although progress has been made, there is still a lot of room for improvement; unfortunately the pace at which we advance is not satisfactory at all, despite that, due to the grave financial situation produced by the eurogroup's decisions, additional attention should be paid to this issue.

Finally, it should be mentioned that, during the period under review, the ccci participated in a workshop on the reform of public administration as a tool for recovery, where it had the opportunity to develop its relevant positions and views.

#### Liberalisations / privatisations

It is the firm position of the ccci that the benefits arising from liberalisations/privatisations are immense for the enterprises, the society and the economy in general. The ccci also believes that the collaboration between the public and the private sector mainly in relation to the execution/operation of large-scale infrastructure projects through the bot and ppp methods is more than necessary and essential.

Apart from benefiting the country's economy to a great extent, privatisations will allow the state to focus on its administrative, supervisory and social function, which would be exercised in a better way due to its disengagement from business activities. In parallel, huge funds will be released from the national budget - and this is more than necessary in the essentially difficult financial period we are going through, while know-how and experiences will be transferred from the private sector in relation to the management and the operation of organisations of this kind, on the basis of the free market principles.

The aforementioned positions and views also constitute firm positions of the european union, and for this reason they have been included in the memorandum of understanding which was recently signed between the troika and the republic of cyprus.

In this light, the ccci welcomed the announcements concerning the winding up of the broader public sector agencies which have completed their cycle of operation as well as the views regarding the conversion of some semipublic corporations into equity (with the state preserving the majority of the shares).

#### Promoting cyprus as an international business centre and centre of services and investments

The ccci has developed particularly intense activity at the international level aiming at bringing cyprus forth as an



*The President of the Republic  
Mr. Nicos Anastasiades  
addressing the Cyprus - Israel  
Business Forum organized with  
the participation of the CCCI*

international business centre and as a centre of services and education.

In this context, 28 bilateral business associations of cyprus with other countries operate under the aegis of the ccci, aiming primarily at promoting, extending and encouraging the financial, trade and business collaboration between cyprus and the said countries.

The ccci, through its close collaborations and the friendly affiliations it has developed with the chambers of various countries, and also through the activities which develop via the activities of the bilateral associations, has managed to establish a powerful communication network for the promotion of cyprus abroad as a significant centre of business activity.

In the business fora which are organised during these missions, cypriot professionals, accountants, lawyers, as well as experts in the energy, the real estate and the development sector, explain the advantages and the opportunities cyprus offers to foreign potential investors/buyers, in order to attract them.

During the 2012-2013 period, the ccci organised jointly with the ministry of energy, commerce, industry and tourism 22 missions and business fora in 24 countries, covering 33 cities in total. 267 companies with 314 individuals participated in these missions, which included visits to israel (tel aviv), germany (hamburg), ukraine (kharkov-donetsk-lugansk), libya, china (beijing, shanghai), austria (vienna), lebanon (beirut), lithuania (vilnius), russia (moscow-st. Petersburg-tyumen-chelyabinsk-nizhny novgorod), rumania (bucharest) and poland (wroclaw). Specialised missions were also organised in greece (athens, ioannina), with the purpose of promoting cyprus's education services.

In the context of this effort, the ccci closely collaborates with the cipa, as attracting foreign investments in cyprus falls within its competence.

#### **Tax issues**

The ccci has an immense interest in tax issues, because they have critical effects on business activity and the economic growth of the country in general. The ccci has always aimed at the adoption and implementation of tax policies which would encourage productive activity and contribute to the general growth. In the context of the difficult conditions of our economy, the ccci has pointed out the negative consequences on the prospects of growth that would arise from an increase in the tax responsibilities of enterprises, and has asked the government to focus its efforts on limiting state expenditure, paying greater attention to the reduction of non-productive expenditure, the abolition of overtime, the drastic reduction of benefits and the limitation of the remuneration scale of civil servants.

During the period under review tax affairs were in the centre of attention because of the tax measures imposed due to the memorandum and the obvious consequences of the international crisis on cypriot economy and its prospects for growth. The ccci firmly supports that tax burdens which further slow down growth and production and discourage the development of activities of foreign enterprises in our country should be avoided. In this context, the ccci demands the implementation of compensational measures of support, in order to reinforce enterprises in dealing with the difficulties of the crisis. The ccci is particularly interested in preserving cypriot legislative tax provisions that would attract foreign investors, who, especially under the current conditions, can play a decisive role in exiting the economic crisis.



The ccci submitted its positions regarding tax affairs to the government, the parliament and the political parties, presenting specific suggestions in relation to implementing a more efficient system of tax collection, which would produce additional tax revenue through combating tax evasion.

#### Promoting and mutually protecting investments between cyprus and other countries

In the context of its efforts towards shaping the appropriate legal framework which would regulate specifically all the aspects concerning the investments of cypriot entrepreneurs abroad as well as the investments of foreigners in cyprus, the ccci participates in the relevant commission operating in the planning bureau. Recognising the need to encourage the undertaking of initiatives by cypriot entrepreneurs in order to extend their activities in other countries and to attract foreign investors in cyprus, the ccci submits constructive recommendations to the competent commission, aiming at strengthening the economic and business cooperation between cyprus and other countries for their mutual benefit.

The ccci's aspiration focuses on creating favourable conditions for investments made by investors of one contracting party in the territory of the other contracting party.

Especially after the developments following the haircut on deposits, the ccci submitted a memorandum to the president of the republic and the minister of finance, calling for the speeding up of the procedures of the signing of this kind of agreements with russia and ukraine, in order to erase any groundless concerns of the investors coming from these countries in relation to their investments in cyprus.

#### Capital market issues

The unhindered operation of the cypriot capital market constitutes a fundamental condition for the stable advancement of business activity and economic growth in general, and the ccci remains actively interested in its smooth operation. All the professional associations directly related to the stock market activity and the capital market operate under the auspices of the ccci, which, through the constant exchange of ideas with the relevant associations, forms well-informed views and recommendations for improvements regarding the system as a whole, which are submitted to meetings with the authorities of the cyprus stock exchange and the cyprus securities and exchange commission, aiming at the rational progress of all relative matters.

The ccci submits its proposals on capital market issues to the ministry of finance, the parliament and other competent institutions.

The ccci demonstrates an intense and active interest in the stock exchange institution, since it played a pioneering role in introducing it in cyprus, and places stock exchange affairs among its top priorities. During the period under review, the ccci's

was specifically interested in the support offered to this institution and the maintenance of its growth, especially in the context of the difficult conditions in which it has to operate during the memorandum period.

#### National health scheme

During the period covered by the report, the ccci maintained its active participation in the procedures concerning the national health scheme through its representative at the board of directors of the health insurance organisation. As a matter of principle, the ccci supports the effort made for creating a national health scheme for cyprus. However, it has reservations about the readiness of the state to proceed to the implementation of the nhs, and for this reason it has set out some important conditions which should be satisfied before the ccci agrees to its implementation.

In particular, the ccci requests the following:

- Reorganisation of public hospitals so that they may operate under a regime of free competition with the private sector;
- The complete and detailed cost accounting of health services in public hospitals;
- The development in full of the institution of personal doctors, which constitute the quintessence of the health system in whole;
- The exact fixing and agreement among all social partners upon the amount of contributions per class of contributors, without any intervention by organised groups aiming at discriminating in favour of specific classes;
- That the broader public sector employees pay the amount corresponding to them in the same way as the employees of the private sector employees;
- And to ensure that the public and private sector shall be treated equally in the context of the nhs and that the potential of the private sector shall be fully exploited upon its implementation.

The ccci also requests the drafting of an agreed time schedule for the gradual implementation of the nhs, which shall accurately define the time of initiating the implementation of each stage of the plan's development.

The operation of the nph for the purpose of reducing state expenditure on medical treatment is also mentioned in the memorandum, assigning thus increased responsibilities to the ccci as regards the handling of this issue in whole.

#### Public tenders

The ccci is still concerned about the issue of public of. During the period under review, the ccci organised meetings with the competent authorities for exchanging views and discussing issues in relation to this matter, and especially the issue of the provisions of the relevant laws which came into force after being approved by the house of representatives.



*The CCCI held a dinner in honour of the Deputy Minister to the Presidency for European Affairs Mr. Andreas Mavroyiannis in recognition for his personal contribution for the successful organization of the Cyprus Presidency of the European Council of the European Union*

The operation of the electronic procurement system, which offers the possibility of utilising electronic procedures in the carrying out of public procurement procedures, is observed with particular interest.

The ccci welcomed the recent decision of the accountant general to facilitate the procedure and the requirements in relation to paying deposits for the allocation of public works, providing thus essential assistance to enterprises in enabling them to satisfy these provisions due to the liquidity problems they are facing, which arise from the developments in the country's banking system.

#### Returned/post-dated cheques

Due to the economic crisis, the situation regarding returned/post-dated cheques deteriorated substantially during 2012. Specifically, according to the data of the central information register (cir) kept at the central bank, the number of bounced cheques reached 4753 in 2012 compared to 3840 in 2011, increasing thus by 24%.

This widespread phenomenon which largely affects, among other things, the liquidity of cyprriot enterprises, obtained tremendous dimensions after the decisions of the eurogroup in march 2013 and the consequential temporary suspension of the cir's operations.

The ccci requested that the validity of cheques be restored at 6 months, in order to facilitate the clearance of the issued cheques, avoiding thus their reissue. Furthermore it suggested the abolition of the practice of recalling cheques (stop payment), which in essence serves unreliable issuers. In order to deal with this phenomenon, the ccci suggested that returned cheques, if deposited for the second time 15 days after their first deposit, should carry a stamp by the bank bearing the note "refer to drawer", regardless of whether the cir is operating or suspended. Finally, the ccci raised the issue of the banks' delays in clearing

the cheques when deposited.

The central bank has undertaken to study the ccci's suggestions, and decided in the meanwhile that:

- The duration of validity of cheques issued after 31/03/2013 shall increase from 3 months to 6 months after the date of their issue,
- And the duration of validity of cheques issued between 15/12/2012 and 31/03/2013 shall extend until 30/09/2013.

Regardless of the aforementioned suggestions, the ccci strongly believes that the problem can be essentially alleviated only through restricting the use of cheques as a means of payment and through the use of other means of payment, such as bank transfers, direct charges etc, which should be promoted much more intensely by the competent authorities, especially upon the opportunity arising from the forthcoming transition into the single euro payments area on 1 february 2014.

The inclusion of payment details (account number, iban and bic) in the invoices in accordance with the relevant european regulation for making payments via bank transfer constitutes an important step towards this direction.

#### Restoring the operation of the central information register (cir) for bounced cheques issuers

The ccci made approaches to the governor of the central bank with a view to restoring the cir as soon as possible. The ccci, through a letter to the governor, requested that a prompt decision be made in order to begin to create the conditions for the gradual return to regularity of the cheque issue system as a means of payment. The ccci's most important argument towards the central bank of





cyprus is that the restoration of the operation of the cir constitutes a stabilising factor in relation to the enterprises' viability and solvency under the current difficult economic conditions. It further suggested that its restoration should be valid for 3 months as of the moment of announcing the decision, in order to avoid problems relating to cheques which have already been issued. Finally, in the beginning of august the central bank announced the restoration of the cir's operation as of 1 september 2013.

The registration of persons into the cir in view of the recent developments concerning the banking system shall be made according to criteria and conditions on the basis of a modified procedure, which shall:

- Take into consideration the problems arising from the restrictive measures, as well as the provisions of the law concerning the enforcement of restrictive measures on transactions;
- Recognise the problems emerging from the consolidation measures and aim at the transparent, equal and fair treatment of persons which would end up being registered in the cir solely because of the consolidation measures;
- And simplify the procedure of settling bounced cheques and the procedure of the elimination from the cir.

#### Law concerning late payments

During the period under review, the «late payments in commercial transactions law of 2012» was enacted by the house of representatives and published in the official gazette of the republic of cyprus. Cyprus was the first eu country to incorporate the relevant community directive in its national law.

The ccci expressed its satisfaction over the adoption of the law, since the issue of late payments has truly reached alarming proportions, and not only has it affected liquidity, but also the survival of enterprises themselves. The prompt adoption of the law was made upon the ccci's request, which was made immediately upon the adoption of the community directive, in the beginning of 2011.

The key provisions of the law set out the maximum period of payment for the use of goods and services (30 days in the case of public authorities and 60 days in the case of enterprises), the simplification of the procedures for the initiation of procedures for the collection of late payments and the establishment of a penalty for late payments. According to the provisions, debtors shall be liable to pay default interest and compensate for any expenses arising in relation to the collection of late payments.

In the context of the information campaign that followed, the ccci sent the full text of the law to all its members, published a special informative and explanatory article in its monthly newspaper and participated in a special seminar organised by the european commission at the offices of its representation in nicosia, presenting its positions and views on this matter.

#### Facilitating entrepreneurs and provision of relaxations in relation to the payment due to the state

Via a detailed letter addressed to the ministers of finance, interior, energy, commerce, industry and tourism and employment and social security, the ccci requested that their ministries demonstrate the necessary understanding as regards the difficulties faced by entrepreneurs in fulfilling their obligations to the state.

In its letter, the ccci emphasised that the business community should be supported in the extremely difficult period we are going through, since it would be much more beneficial for our country's economy if the business units survived instead of becoming bankrupt and shutting down (loss of jobs, reduction of gdp, loss of tax revenue etc).

Furthermore, the ccci made clear that small and large entrepreneurs who are in all aspects liable, worthy, hardworking and innovative, despite recognising their obligation to meet their obligations and have no intention to avoid fulfilling their obligations towards the state (social security, vat, income tax etc), are effectively unable to settle the amounts owed to it.

In its letter, the ccci placed special emphasis on the fact that many enterprises become bankrupt one after another. Personnel dismissals and redundancies take place in an unrestrained fashion, while their business activities are inexistent. Even after reducing their personnel to the largest possible extent, the demand of their products or services is very low, and their income is equally decreased.

Explicit mention was also made to the serious problems arising from the lack of liquidity and financing due to the difficulties and the restraining measures imposed on the country's banking system, limiting even more the ability of the enterprises to respond to their financial obligations.

In particular, in its letter the ccci requested that the state demonstrate more understanding and resilience through prolonging the period for the payment of the amounts owed by the enterprises, settling gradual payments on a monthly basis, as well as cancelling any debit interest rates or any other punitive charges and proceedings.

#### Reduction and abolition of the additional surcharge (additional tax and interest) for a limited period in relation to delays in the payment of the value added tax (vat)

The ccci demanded and accomplished the aforementioned reduction and abolition through detailed letters addressed to the minister of finance and the vat commissioner, and also through its participation in the relevant meeting of the parliamentary committee on finance.

Specifically, this significant success of the ccci consists in the following:





*The President of the CCCI  
Mr. Phidias Pilides addressing  
the event for the Exports Awards*

- In relation to the tax periods which are directly affected by the banks' shut down and the withholding of deposits, the surcharges are abolished in full (additional tax and interest) for the tax periods expiring on 28 february 2013, 31 march 2013, 30 april 2013 and 31 may 2013, on the condition that taxable persons submit their tax returns in relation to these periods and pay the vat due until 10 december 2013, and
- The additional tax imposed in case of untimely payment of the vat is reduced from ten per cent (10%) to five per cent (5%) for the tax periods expiring on 30 june 2013, 31 july 2013, 31 august 2013 and 30 september 2013, on the condition that the relevant tax returns are submitted and the tax is paid until 10 december 2013.

#### Port matters

As it has done every year, the ccci during 2012-2013 worked intensively and in a targeted manner towards the direction of adopting measures by the public and the private sector aiming at a more efficient operation and a more rational management of ports, the limitation of the ports' costs, the increase of the volume of transit trade, the minimisation of pressing problems and in general at securing the competitiveness of cypriot ports.

The optimisation of the services offered to users and the safeguarding of the profitable and development prospects of the country's ports has always been a goal pursued by the ccci.

In particular, the ccci dealt in a serious and comprehensive manner with the minimisation of the following problems, which it considers to be the most important problems faced today by our port industry:

- Low competitiveness;

- High costs of operation resulting in high charges, which partly arise from the automatic annual readjustment of the fees of the cyprus ports authorities according to the annual inflation rate;
- Security fees in ports;
- Lack of equipment, facilities and infrastructure;
- Relatively low levels of service (reduced productivity and efficiency);
- Unstable/problematic labour relations;
- The councils of port workers.

The ccci supports that, in order to minimise the aforementioned problems, several services of the cyprus port authority should be undertaken by the private sector upon the submission of tenders, which would directly result in limiting the costs and in the more efficient and harmonious operation of our ports.

The fees of the cyprus port authority for 2012 and 2013 remained unchanged on the ccci's initiative.

#### Reezying port authority dues

In the context of its planned and intense efforts to reduce the costs of the operation of enterprises to the greatest possible extent, and especially under the current unfavourable economic circumstances faced in our country, the ccci accomplished to maintain the ports' fees unchanged for 2012 and 2013 by presenting correct and comprehensive arguments to the cyprus port authority.

#### Briefing of members and supreme advisory body

During the period covered by the report, the ccci ranked among its top priorities the all-round briefing of its members regarding the effects of the Economic crisis on business activity and the relevant actions taken by the ccci in order to support business activity and safeguard the growth path of the economy. During



this period the ccci organised specialised sectoral meetings as well as general member gatherings, in which ministers and other invited competent officials and specialists from cyprus and abroad talked about the affairs falling within their competence in relation to current developments.

These meetings offer the members the opportunity to receive all-round briefings and submit follow-up questions, as well as to become fully informed on matters of their concern.

Enlarged meetings of the board of directors of the ccci also took place, with the participation of professional associations and representatives of semipublic organisations, as well as meetings of the supreme advisory body, which dealt with current issues of special interest for the business people, emphasising on the economic developments.

#### Promoting women's entrepreneurship

The ccci has always placed women's entrepreneurship among its highest priorities, which is also recognised and promoted in various ways by the european union itself. Women's entrepreneurship indisputably contributes towards economic growth, the creation of new job opportunities and innovation.

The cypriot federation of business and professional women (bwp cyprus), which operates under the auspices of the ccci, collaborates closely with the ccci towards the direction of promoting the affairs of women's entrepreneurship.

Bwp cyprus represented the ccci at the meeting of the council of women entrepreneurs of the union of balkan chambers which was held in nicosia and dealt with issues such as equal pay, women's entrepreneurship and the inactive female workforce, while the ccci and the bwp cyprus submitted their joint positions and views regarding the public consultation of the european union concerning gender imbalance in the corporate boards.

Of particular importance in the period under review was the organisation of the extremely successful national conference of cyprus in the context of the european week of small and medium sized enterprises on the subject of "young entrepreneurs and women's entrepreneurship: the road towards development", presided by the president of bwp cyprus, as well as the

organisation of a conference on the subject of "the first business and professional women in cyprus", on the occasion of the bwp cyprus general assembly. At the general meeting mrs. Kikoula kotsapa was elected as the new president of bwp cyprus, succeeding mrs. Alexandra galanou.

Finally, the factual proof of the importance attributed by the ccci to the issues concerning women's entrepreneurship, but also to the participation of women entrepreneurs in the decision-making bodies of the chambers consists in that the officials of bwp cyprus participate in the boards of directors of the ccci and the local chambers, while the president of bwp cyprus is an ex officio member of the board of directors of the ccci.

#### Agriculture affairs

During the period covered by the report, the ccci maintained its active interest in the course of the primary sector of agricultural production, which directly affects various sectors of the manufacturing industry and consumption. The ccci has always expressed the position that agricultural production should be supported, because it constitutes an indispensable ingredient for the stable growth of the economy.

During the period under review, the adoption of measures in support of the agricultural products processing industry also contributed to the support of primary production, and the ccci's efforts towards this direction are maintained and upgraded. The ccci offers rational support to the agricultural sector and requests the implementation of policies and programmes that would ensure the full absorption and utilisation of community funds related to this sector.

#### The provident fund of the ccci's members

During the period under review, the operation of the provident fund of the ccci's members continued under the presidency of mr. Yiannakis christodoulou.

The benefits offered to the fund's beneficiaries are analogous to those offered by the employees' provident funds. The shareholders and the managerial staff of the member companies of the ccci, the local ccis and the professional associations are the beneficiaries of the ccci's provident fund.



*The Minister of Energy, Commerce, Industry and Tourism Mr. George Lakkotrypis addressing the Energy symposium organized under the aegis of the CCCI*

## Industry

In 2012 the industry sector experienced a negative growth rate in real terms for the second year in a row. According to the preliminary results, this rate (at constant market prices of 2005) in the overall sector decreased by 7.0% in 2012, compared to the decrease by 5.2% in 2011 and the increase by 0.2% in 2012. More specifically, according to the preliminary estimations, the manufacturing sector contracted by 7.4%.

The gross output of the industrial sector at constant market prices decreased by 5.6% in 2012 reaching 4.4 billion eur, compared to 4.7 billion eur in 2011. It is estimated that the added value at constant market prices reached 1.5 billion eur, compared to 1.6 billion eur in 2011, recording a reduction by 6.8%. The sector's contribution to the gdp at current market prices rose to 9.1% in 2012 from 9.0% in 2011. Employment in the overall sector is estimated to have been reduced to 34.8 thousands from 37.7 thousands in 2011, constituting 9.3% of the gainfully employed population. The number of registered unemployed persons increased from 2,794 in 2011 to 3,893 in 2012.

### Manufacturing

In manufacturing, which constitutes the largest section of industry, the gross production value in constant market prices reached 2.9 billion eur in 2012, compared to 3.3 billion eur in 2011, recording a reduction by 11.0%.

The added value decreased by 9.5% to 1.0 billion eur compared to 1.1 billion eur in 2011. Employment has been reduced to 31.2 thousand from 34.0 thousand in 2011. Consolidated capital investment reached 94.6 million eur in 2012 as compared to 123.8 million in 2011, recording a significant reduction by 23.5%. Investments in machinery and equipment formed 47.6% of the total, in construction products 42.8% and in means of transportation the remaining 9.6%. The sector's contribution to the gdp at constant prices was limited to 5.7% in 2012 as compared to 6.0 in 2011.

### Industrial exports

In 2012 the exports of industrial products of domestic production reached 487.7 million eur, compared to 492.2 million eur in 2011, recording a reduction by 0.9%. The main categories of exported industrial products were, in order of importance, pharmaceutical products, foodstuffs and beverages, recycling goods, basic metals, machinery and equipment and non-metallic mineral products.

The exports of basic metals and cement increased significantly as compared to 2011, while the exports of photovoltaic systems and equipment experienced a considerable decrease.

### Permanent committee for industry

The permanent committee for industry is presided by the vice-president for industry of the ccci and is composed of the vice-presidents for industry of the local ccis. The committee's purpose is to codify the ccci's priority issues which are directly related to industry and suggest and promote ways of resolving them. During the period under review, the committee dealt with issues such as the cost of electricity, the cost and renewals of the lease of industrial plots within the industrial areas and zones, the taxation on real estate and the way it connects to industrial plots and buildings within the industrial areas and zones, the municipal and other taxes and duties, the increase of the floors of industrial premises etc. In the context of its competence, a delegation of the committee met with competent officials in order to discuss various issues falling within the committee's competence, such as with the attorney general and the director of the department of town planning and housing.

### Industrial areas and zones rentals

The ccci, which foresaw the adverse economic developments for the industries in time, requested from the state to freeze the increases which are provided for in the lease contracts for industrial units in industrial areas. This has been eventually achieved for a period of



five years through covering the increase of the rent via granting a de minimis aid. Furthermore, the leaseholders of industrial areas now have the opportunity to pay rents in monthly instalments instead of prepaying rents for a whole year, on the condition that legal interest shall be paid on delays.

Due to the worsening of the economy's conditions arising from the eurogroup's decisions in may 2013, the ccci submitted a new request calling for the essential reduction of rents.

In regards to the industrial zones and the state-owned industrial plots, the chamber has emphasised through memorandums and meetings that there is a need to reduce the cost of rents to acceptable levels (before the increase imposed in 2010), in order to offer the holders of the plots the opportunity to meet their obligations.

### Electricity cost

Despite the facts that during the last years enterprises have been implementing advanced solutions in the field of energy saving and the rse, the electricity cost is still one of the largest and inflexible expenses they have to bear, and, what is more, affects their competitiveness to a great extent. The ccci has often expressed its resentment over the high cost of electricity, the unfairness of the implementation of the system of maximum demand and the inability to essentially liberalise the production of electricity. In this context, several meetings with the competent officials from ministries, the cera and the electricity authority were held, while the speeding up of the elimination of the 5.75% fee imposed due to the explosion in mari has been achieved, as well as the modification in the way of calculating the fuel clause, which, after being readjusted, has brought up a further reduction by 4%. Moreover, the cyprus energy regulatory authority, taking into consideration the ccci's representations and the crisis faced by our economy, decided to implement a temporary reduction of 5% on all basic tariffs of the eac. This decision shall be reviewed on a two-month basis.

The ccci shall keep pressing towards the direction of further reducing the cost of electricity, which is deemed essential for reinforcing the competitiveness of many sectors of the economy.

### Scheme for the in house-production of electricity through the use of photovoltaic systems in industries

the ccci has always requested the facilitation of the opportunity to self-produce electricity, and this request has been partly satisfied, since the cera has provided a plan which gives the opportunity to industrial units to produce electricity through the use of photovoltaic systems for their own purposes exclusively. The investments in this plan are not subsidised, and the electricity produced shall be used for own consumption exclusively, without being fed to the network of the electricity authority. At this stage, systems of total power of 10mw, with the maximum power of each system reaching 500kw, shall be included in the plan.

The ccci calls its member enterprises to utilise the provisions of the plan and invest in the sector of electricity production via rse, for the purpose of reducing the cost of used energy and putting into practice their environmental responsibility and sensibility.

### Calculating the rental cost on state-owned plots of land

According to the immovable property (tenure, registration and valuation) law which governs rents on state-owned plots of land

as amended in 2010, the rent on state-owned plots shall be calculated on the basis of an annual percentage of 1% to 3.5% on the value of the property, according to the use made and the existing infrastructure works. Since the entry into force of this law, the ccci had pointed out that, due to the significant increase of the value of real estate in the last years, the ministry of interior should apply the low coefficient of 1% instead of the coefficient of 3.5% in determining the rent, because the application of the latter would lead to an excessive increase of rents in relation to what was paid by the leaseholders, which would be unfair for enterprises. As a result of the application of the coefficient of 3%, in some cases rents quadrupled, and therefore a great number of leaseholders are not in a position to settle the amounts they owe, leaving the rents of the past three and/or four years unpaid.

The ccci made several representations to the ministry of interior suggesting that, in order to resolve this problem, the price levels of the rents should be immediately revised and drastically reduced, so as to enable the leaseholders to fulfil their obligations. The ccci suggests that the percentage for calculating the rents should not exceed 1% of the plot's value, while on the same time an adjustment for the reduction of the unpaid rents should be imposed, facilitating thus their gradual payment.

### Research and innovation

The aim of the ccci's involvement in research and innovation affairs is to resolve the problems tormenting this sector and project the necessity for a more active support, encouragement and promotion of the private sector enterprises which develop activities in the sector. In this light, upon actions taken by the ccci, the ministry of energy, commerce, industry and tourism implemented the plan of business innovation, in the context of which more than 50 enterprises were held to be eligible to proceed with projects of business innovation which are worth 4 million eur. Moreover, the member cyriot enterprises of the cyprus association of research and innovation enterprises, which is a member of the ccci, have absorbed the amount of 18,6 million eur in the context of the 7th framework programme for research and technological development in the eu (fp7) for the 2007-2013 period, which signifies the dynamics and the ability of private enterprises towards innovation. During the period under review, meetings were held with the ministry of commerce for the development of business innovation programmes, with the universities for the improvement of the connection of industry with the academic community, with the auditor general of the state and with the ministry of finance for the resolution of the problems arising from the haircut on the funds which were deposited in the accounts of enterprises, but were destined for the implementation of european programmes.

### Standards-specifications

In the context of its planned efforts and actions for the preparation and adoption of the maximum number of european standards with the aim of further upgrading the quality of domestic goods and services, during the period under review the ccci worked closely and productively with the cyprus standards organisation.

At the same time, during the said period, the ccci was represented by its secretariat and its affected members on all the technical



committees of the european standards organisations for the preparation of european standards for various goods and services.

#### 4th international scientific conference on renewable energy sources and energy efficiency - new challenges

The 4th international scientific conference on renewable energy sources and energy efficiency was organised with absolute success, enjoying a large participation of attendants and the involvement of all the competent institutions. The conference's aim was to broaden the cooperation and the exchange of the available technological and scientific information between the institutions involved, as well as to offer an all-round briefing regarding the policies and developments related to the development and the exploitation of renewable sources of energy, energy efficiency and the prospects opening up with the arrival of the natural gas. Specialists from cyprus and academics and researchers from greece, england and other countries expounded on the different subjects of the conference. The specialised sources of solar and wind energy, photovoltaics, biomass and green energy in general were covered in all their aspects. The fact that the conference was organised for the fourth time with increased participation in a very difficult period constitutes the best proof that it is now established as the par excellence scientific conference in the rse and energy efficiency field in cyprus.

#### The "haircut" on european funds for research & innovation

Through letters directed to and meetings with the competent officials, the ccci, in collaboration with the cyprus association of research and innovation enterprises, conducted a great effort and accomplished that the deposits placed in cypriot enterprises' accounts for the implementation of european projects of a principally research character be exempted from the haircut. Any haircutting on these funds would directly endanger the implementation of the projects, the ability of the cypriot enterprises to remain in the partnerships of the european projects and would irreparably damage the credibility and the reputation built with the enterprises' hard work in this particular sector during the last years.

#### Energy sector

The foundation of the cyprus oil & gas association under the aegis of the ccci aims at serving the interests of the emerging oil and natural gas industry in cyprus. The association supports the vision of cyprus becoming a regional centre for energy services and has already established close cooperation with the gep-aftp, which represents the interests of approximately 180 equipment and services providers of the oil and natural gas industry with significant presence in france. The members of the gep-aftp employ approximately 70,000 persons and produce 90% of the total value of the transactions in the sector, which reached 31 billion eur in 2011, with 92% of the transactions having taken place abroad.

#### Other issues of the industry sector

In addition to the aforementioned issues, during the period under review the industry department has taken actions in regards to the following:

- The creation of a special tariff by the eac for the energy absorbed by biomass cogeneration plants;
- The resolution of the problem of excessive delays in payments for the programmes of the research promotion foundation;
- The improvement of the cooperation between the academic community and industry;
- New plans of supporting industry and innovation;
- Ways of supporting and funding smes;
- The tax on immovable property for the holders of industrial plots;
- Presentation of the legislation concerning pre-packaged products;
- The system of managing recycling materials separated at source;
- The promotion of cypriot industrial products;
- The establishment of a guaranteeing organisation for smes;
- And the speeding up of the refund of the vat to the entitled enterprises.





*The former CCCI President  
Mr. Manthos Mavrommatis  
declared Honorary President  
of the CCCI during last year's  
General Meeting*



*The former General Secretary of  
the CCCI Mr. Panayiotis Loizides  
declared Honorary General  
Secretary of the CCCI during last  
year's General Meeting*



*Presentation of Cyprus  
Universities in Athens*

## Services

According to the official preliminary data, in 2012 the gross domestic product at current market prices amounted to 17,886.8 million eur as compared to 17,979.3 million eur in 2011, recording a decrease by 0.5%. The participation of the tertiary sector in the gross domestic product amounted to 82.3% as compared to the contribution of 2.3% of the primary sector and of 15.4% of the secondary sector.

Approximately 376 thousand persons in total were employed for the production of the gdp.

75.6% of the workforce was employed in the tertiary sector, 7.3% in the primary sector and 17.1% in the secondary sector.

The aforementioned data clearly show the dominant position of the services sector in the economy of cyprus.

The 58 professional services associations which operate under the auspices of the ccci, either through receiving secretariat services or through simple membership, cover the whole range of services and offer specialised services and full representation to their members.

Moreover, they contribute to the constant and further growth of sectors such as the tourism, maritime, medical and education sectors, accounting, audit and legal services, the finance and the insurance sectors, the real estate market, as well as all the sectors belonging to the tertiary sector.

### Tourism

In the light of the difficult conditions experienced by business activity due to the economic crisis and the restrictive measures of the memorandum, the tourism industry has preserved its

importance as a key sector of the cypriot economy, constituting a source of income from abroad, offering employment to a large proportion of the workforce and absorbing products of domestic production. During the period under review, tourism experienced ups and downs in relation to arrivals and income, and this led the ccci to submit specific recommendations.

The effects of the economic crisis on countries which are sources of tourism as well as the low prices in competitive destinations remain the causes for the decline of cypriot tourism. To this purpose, the ccci submits proposals for dealing with the problems of tourism, enriching our tourism product and repositioning the tourism industry on a steady upward course.

The ccci, recognising the vital role of tourism for the cypriot economy through its general contribution to the all-round growth and progress of several sectors, takes all necessary actions for the rational development of cyprus's tourism industry, in collaboration with the local ccis, the regional companies of touristic development and promotion and the professional associations related to tourism which operate under its auspices.

The professional associations listed below develop activities related to tourism and operate under the aegis of the ccci, which is thus able to shape comprehensive proposals for resolving the problems and adopting the best possible adjustments in collaboration with them. The goal is to upgrade the cypriot tourism product and boost its competitiveness on the one hand, and to expand the sources of tourism for our country and prolong the touristic period in order to include the winter months on the other hand.

- The cyprus hotel association
- The association of cyprus travel agents



- The cyprus association of hotel managers
- The cyprus cultural and special interests tourism association
- The pancyprian association of car rentals owners
- The cyprus marine industry and commerce association
- The cyprus association of professional tourist vessels owners
- The cyprus tourist guides association
- The cyprus dive centre association
- The cyprus women association in tourism
- The cyprus health services promotion board
- The cyprus spa association
- The cyprus incentives and meetings association
- The cyprus association of leisure parks and attractions

The professional associations of the broader tourism sector, which is coordinated by the permanent committee on tourism of the ccci, have substantially contributed to the formulation of proposals. The proposals include measures and services to visitors, always aiming at upgrading the quality of cyprus's tourism product and the tourism industry in general.

Cypriot tourism is facing both intrinsic and external problems and it is absolutely necessary to adopt immediate and effective measures in order to resolve them.

Aiming at the systematic and all-round observation and the projection of the problems of tourism, the permanent committee for tourism of the ccci, which is composed of all the local chambers and is presided by the ccci's vice-president for tourism, held two meetings with the active participation of the representatives of all the tourism associations which are members of the ccci as well as the regional enterprises of touristic development.

The committee discussed the issues mentioned below and submitted specific suggestions regarding:

- The reversal of the negative image and publicity of cyprus by constantly projecting in an attractive way for tourists the true image of cyprus as an interesting tourist destination;
- The immediate promotion and implementation of the measures for supporting and restarting the cypriot economy, which have already been announced by the president of the republic;
- the support for the reorganisation of the regional enterprises of touristic development so that they can perform their objectives;
- The need to reorganise and upgrade the cyprus tourism organisation so that it can fulfil its work effectively;
- The announcement of tax incentives that would boost growth;
- The announcement of specific measures which would contribute to prolonging the touristic period;
- The announcement of practical and specific measures for upgrading and enhancing the profitability of the hotel industry by reducing the operational expenses, offering thus more competitive prices;
- The immediate and non time-consuming procedures for the creation and operation of casinos which will serve cyprus in whole;

- And the upgrade of air transports through the policy of liberalisation of flights, in order to approach markets and airports which are not supported at present.

The ccci has also submitted a series of suggestions in order to deal with the problem of seasonality by extending the touristic period in cyprus and achieving thus the optimum efficiency and profitability for the country's tourism enterprises.

In this light, it emphasises the need to enrich and upgrade our tourism product in a way that visitors may enjoy various and manifold activities. This is why the ccci keeps promoting special forms of tourism such as health and wellness tourism, cultural and religious tourism, sports tourism, agrotourism etc.

The cyprus association of diving centres, which is a member of the ccci, is making noteworthy efforts for the creation of four new artificial reefs in the sea areas of the famagusta, limassol and paphos districts.

The ultimate purpose of these artificial reefs is the creation of shelters for fish, the increase of fish stocks, the long-term improvement of the fishing production, the protection and enrichment of marine biodiversity, the refreshment of undermined ecosystems, the conduct of scientific research, the sensitisation of the public as regards the protection of marine life, the promotion of environmental education, the recreation of the public and the attraction of diving tourism.

The coordination of the efforts of the public and the private sector, the achievement of the continuation of the positive course of cypriot tourism through appropriate planning and the resolution of the problems are also matters of great importance.

#### Health services

The promotion of cyprus as a regional health centre is a declared policy of the ccci.

The geographical position of cyprus, its accession into the european union and its amicable relations with the countries of the broader region, together with its well-trained staff, its exceptional health infrastructure and its excellent weather conditions which contribute towards the rapid recovery and rehabilitation of patients, constitute the principal factors which should be utilised in relation to this sector.

In collaboration with the ministry of energy, commerce, industry and tourism and the cto, the cyprus health services promotion board, which operates under the ccci, continued and intensified the promotion of cyprus abroad as a health destination.

The ccci, in close collaboration with the health organisation, promotes the issue of the accreditation of private hospitals by international organisations, for the purpose of substantially upgrading the health services provided to the local population as



*Bicomunal meeting of Greek Cypriot and Turkish Cypriot Entrepreneurs in Malta*

well as to foreigners visiting cyprus. Despite the fact that the plan has been finalised, it has not been announced by the government yet due to the financial restraints.

The ccci has incorporated into its educational programmes seminars and conferences on specialised subjects related to the medical sector, which are met with great success.

Foreign specialised organisers of health tourism were also invited to cyprus in order to be informed about the facilities offered in cyprus and its health sector product in general.

#### **Educational services**

The ccci plays an important role in promoting cyprus as an educational centre through organising special missions abroad in collaboration with the ministry of energy, commerce, industry and tourism and with the support of the ministry of education and culture. These missions provide the opportunity to all cypriot educational institutions to promote their services.

Such missions have already been organised with great success in athens, cairo, moscow, sofia, volos, larisa, patra, kalamata, karditsa, thessaloniki, serres and ioannina.

To this direction, and in collaboration with the ministry of energy, commerce, industry and tourism, cyprus participates in educational fairs concerning educational institutions, making use of the financial support provided via the ministry's support plan on the basis of the "de minimis" rule.

#### **Development projects and investments**

In order to better approach the issues related to the real estate sector, the permanent committee for services of the ccci has placed particular emphasis on the issues concerning the promotion of the large consolidated composite developments and other large projects of the private sector which have been announced and

which will attribute prestige and a new dimension to the tourism product of cyprus.

In this context, the ccci established the association of large development projects, which has 25 member companies/groups of companies, and aims at promoting development projects. The ccci submitted a detailed memorandum to the president of the republic, making recommendations in regards to measures and incentives which should be offered towards this direction, as well as in relation to a number of projects whose materialisation is being delayed due to the delays in issuing the relevant licences.

The permanent committee for services also examined issues concerning the further development of cypriot tourism, the modernisation of the manner of operation of the public service, as well as the more efficient and economical manner of operation of municipalities through amalgamating them and the services they offer.

#### **Real estate market, immovable property**

The real estate market has been seriously affected because of the economic crisis and those involved in this sector are suffering direct and negative consequences.

The main feature of the current situation in the sector of the real estate market is the freezing of real estate sales due to the lack of liquidity brought about by the restrictive measures on banks.

In its meetings with the president of the republic, the ccci submitted a series of recommendations aiming at reviving the real estate market. On the basis of the ccci's suggestions, the council of ministers announced two packages of urban planning incentives, which are expected to boost the development sector.

Among the ccci's proposals for the development of the sector of the real estate market are:





*From the visit to Kuwait of the President of the Republic Mr. Nicos Anastasiades accompanied by CCCI business delegation*

- The modernisation of the system of licence granting for the development - securitisation of real estate property;
- Development in the regions which are outside the limits of the development policy statement;
- And the modernisation of the property register so that it be able to issue property deeds swiftly.

The activities of the ccci on the issue of the taxation on immovable property have also been intense. Successive meetings with all the associations involved in the real estate sector were held, and joint proposals were submitted to the ministry of finance and the parliamentary committee on finance and budget affairs.

The taxation on immovable property as voted by the parliament destroys the incentives anyone could have to invest in the real estate sector. The taxation, combined with the submitted legislative proposal concerning the reduction of rents through legislative regulation, which in essence convert owners into tenants, constitute investments on real estate undesirable. The ccci expressed its intense disagreement over the reduction of rents through legislative regulation, and presented the view that rents should be determined by the laws of the market, that is by supply and demand and through the negotiation taking place between owners and tenants.

#### Stock exchange activities

The ccci had a pioneering role in the establishment of the stock exchange institution and continues to be actively involved in the country's stock exchange activities, promoting its views on the aforementioned sector to the competent bodies.

Indicatively, the following associations operate under the aegis of the ccci:

- Association of cyprus public companies
- The cyprus financial services firms association
- Association of investment and mutual funds companies

The ccci, in addition to the meetings it organises for discussing and expressing views regarding the amendments to the bills submitted from time to time by the competent bodies, organises discussions with the participation of invited specialists from cyprus and abroad, who develop their views according to their own experiences.

The ccci together with the competent associations had meetings with the cyprus stock exchange and the cyprus securities and exchange committee, maintaining through the years its multifaceted contribution to the smooth functioning of the stock exchange institution in cyprus and striving for the simplification and codification of the laws and regulations concerning public companies.

#### Other activities

During the last year, the ccci's specialised activities in the services sector both in cyprus and in international fora covered questions of commercial agents, promoting young entrepreneurs, private educational institutes, advertised and advertising services, insurance, business consultants and free communication, beauticians and the upgrading of cyriot books through publishing activity. The activities of the ccci in collaboration with the relevant professional associations covered all the aspects of the issues related to the services sector.





Joint CCCI and OEB event  
about the economy

## Trade

### Exports - Imports

The stable growth of trade (export-import), which contributes substantially to the country's economy despite the variety of problems it is facing, is a firm goal of the ccci. In the context of its goals, the ccci shall continue to play an important and essential role in reinforcing free and unhindered trade in the framework of the emerging circumstances and the organic connection of cyprus as a full member of the large european family, which has brought about the increase of investments in the trade sector.

### Bilateral business associations with other countries

The activity of the extremely important and successful institution of bilateral business associations continued at an intensive and dynamic pace. Both the corresponding embassies and the cypriot entrepreneurs who have established transactions with the countries of their interest have shown great interest in this institution. The lectures, seminars, conferences, missions and business meetings constitute only one part of the multifaceted and useful services offered by the bilateral business associations.

The bilateral business associations operating under the auspices of the ccci are:

Cyprus - american business association  
Cyprus - austria business association  
Cyprus - bulgaria business association  
Cyprus - canada business association  
Cyprus - china business association  
Cyprus - czech republic business association  
Cyprus - egypt business association  
Cyprus - france business association  
Cyprus - germany business association

Cyprus - greece business association  
Cyprus - hungary business association  
Cyprus - india business association  
Cyprus - israel business association  
Cyprus - italian business association  
Cyprus - lebanon business and professional association  
Cyprus - libya business association  
Cyprus - netherlands business association  
Cyprus - nordic countries business association  
Cyprus - poland business association  
Cyprus - qatar business association  
Cyprus - romania business association  
Cyprus - russian business association  
Cyprus - serbia business association  
Cyprus - spain business association  
Cyprus - syrian business association  
Cyprus - ukraine business association  
Cyprus - uk business association  
Cyprus - gulf cooperation council countries business association

It is worth mentioning that a cooperation agreement was achieved between the ccci and the cyprus - france business association with the french trade commission (ubifrance), aiming at the furtherance of business opportunities between the two countries.

The contribution of the bilateral business associations is also crucially important in successfully organising the business missions taking place abroad.

During the missions held in beirut (lebanon), in kuwait and in amman (jordan), cooperation agreements were signed with the corresponding chambers, promoting thus even more the amicable





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*Former President of the Republic Mr. Demetris Christofias addressing the Exports Awards event*



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*Mr Neoclis Sylikiotis former Minister of Commerce, Industry and Tourism, addressing the Exports Awards event*



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*Mr Panagiotis Loizides, former CCCI General Secretary and President of the Export Award Committee, announces the awards*





and business relationships between the members of the ccci and the corresponding chambers.

#### Agreements for the avoidance of double taxation

The ccci and the bilateral associations play a very significant role in the promotion and signing of agreements for the avoidance of double taxation.

During the 2012-2013 period, agreements for the avoidance of double taxation were renewed or signed with:

Austria, with effect as of 11/01/2013;  
Ukraine, with effect as of 01/01/2014;  
Poland, with effect as of 11/01/2013;  
Estonia, with effect as of 01/01/2014;  
Finland, with effect as of 01/01/2014;  
Spain, with effect as of 01/01/2014;  
And portugal, with effect as of 01/01/2014;

In the same spirit, the american chamber in cyprus (amcham cyprus), which operates under the aegis of the ccci, is working hard and methodically towards the renewal of the agreement for the avoidance of double taxation between cyprus and the usa. Negotiations are expected to begin shortly.

#### Export award

For thirty one years now, the ccci, together with the ministry of energy, commerce, industry and tourism, organises the export award for products and services. Following a thorough study, evaluation and analysis of all applications, the selection committee granted the following awards for 2011:

##### A.Awards for industrial products

- Utx ltd
- Medochemie ltd
- Lefkonitziatis dairy products ltd

##### B.Special award for services

- Baker tilly klitou & partners ltd

##### C.Award for services

- Expro financial services ltd
- Hyperion systems engineering public ltd

#### Participation in fairs abroad

The contribution of the ccci jointly with the ministry of energy, commerce, industry and tourism in organising and promoting a great number of fairs abroad is particularly important.

Cyprus's participation in these international exhibitions gives the opportunity to promote industrial products such as foodstuffs, beverages, agricultural products, construction materials and clothing, as well as the real estate and the education sector.

#### Cyprus international trade fair

The ccci maintains its close cooperation with the cyprus state fairs authority, while it substantially contributes to the organisation of the cyprus international trade fair.

Moreover, the ccci actively participates in the organisation of the agricultural exposition entitled agroexpo.

#### Trade affairs

The permanent committee on trade of the ccci, which is presided by the ccci's vice-president for trade and in which all the local chambers are represented, convened ordinary and extended meetings with the participation of representatives of the consumers' association, the cyprus association of alcoholic drinks distributors and the cyprus supermarkets association, in order to deal with the plethora of grave problems faced by this sector due to the prolonged economic crisis of the last years.

The main issues examined and forwarded to the board of directors of the ccci for the adoption of decisions are the following:

- Immediate extension and implementation of the tourist period working hours in cyprus's tourist designated areas all year through;
- Expansion of tourist designated areas so that all cyprus be considered as a tourist designated area;
- The prevention of late payments in commercial transactions;
- Tax incentives which could be adopted by the government for company mergers;
- The serious problems created by the decisions of the eurogroup and the demand of factories and other suppliers abroad for the prepayment of orders;
- The consideration of the possibility of companies obtaining credit insurance;
- The payment of vat by wholesalers on the relation created after placing products on the market;
- The need for changing mentality in regards to the relation between wholesalers and supermarkets through meetings, in which the ccci had a coordinating role;
- The promotion of the immediate establishment of a court for commercial disputes and the adoption of legislation concerning mediation for dispute resolution;
- Ways to reduce operating expenses (electricity, water, taxes, interest rate reduction);
- And the establishment of trading terms according to the standards of other countries.

Further actions were also taken in order to tackle illegality in some cases related to import trade, which concern, inter alia:

- The safe keeping of goods in warehouses and generally in places which do not fulfil the standards of the public health service;
- Enterprises which are not members of green dot or other collective waste management systems;
- Incidents of failure to comply with the european labelling standards (lot numbers, original labels, labelling in greek);
- And the circulation for consumption of illegal or unsuitable products in the market.





From the joint CCCI-OEB event  
about the economy

## Labour Affairs

The ccci was concerned about labour matters, which were given special attention in light of the grave economic crisis faced by the cypriot economy and society at present, which has resulted in that several enterprises are now unable to operate and are forced to suspend their activities, while employment is constantly rising, reaching 17.3% of the economically active population in June 2013, recording a large increase as compared to 11.7% in the corresponding period in 2012.

The ccci, which has repeatedly expressed its grave concerns due to the increase of unemployment combined with the ongoing drastic shrinkage of the enterprises' turnover, has submitted specific suggestions, including, inter alia, suggestions for the provision of incentives reinforcing entrepreneurship and the labour market, the provision of incentives reinforcing entrepreneurship especially among the youth, the granting of aid to the unemployed and to young persons starting up their own business and the boosting of youth and women's entrepreneurship. In parallel, the ccci requested from the minister of labour and social insurance to reduce the amount of minimum wage by 20% as a means of stimulating employment and supporting the enterprises.

The ccci placed particular emphasis on the reduction of labour costs and actively participated in the negotiations both at a sectoral (hotel industry, brick manufacturing industry, ready-mixed concrete manufacturing industry, recycling industry) and at a business level. The negotiations resulted in the adoption of measures such as the non payment of the automatic wage indexation, the reduction of wages, the granting of unpaid leave, the reduction of the employers' contributions to the provident funds, the reduction of allowances and the reduction of the weekly working hours.

These measures contributed to a large extent to maintaining the enterprises' operation and avoiding further dismissals on grounds of redundancy.

During the period under reference, the ccci welcomed as a step towards the right direction the council of ministers' approval of the bill concerning civil servants' secondments and interchangeability without their consent.

This regulation, which has been a firm and permanent request of the ccci, shall contribute to the modernisation of public administration and allow the coverage of the needs of understaffed services by other overstaffed services, without employing new personnel.

At the same time, the ccci pointed out once more that the government should adopt measures towards increasing productivity in the civil service, balancing the remuneration of civil servants with the remuneration of the private sector employees, introducing a new system of evaluation, further increasing the civil servants' contributions to their pension scheme and freezing recruitments.

During the period under reference, the constructions sector trade unions announced an indefinite strike on the grounds of the renewal of the sectors' collective agreement and their insistence on their request for the introduction of work cards in the sector. The ccci expressed its disapproval of this action and requested that the strike be lifted immediately, since it was also affecting other sectors of the economy, giving rise to damages amounting to millions of euros per day, in a period of deep economic crisis.

In parallel, the ccci called upon trade unions to contemplate their



major responsibilities in resolving the dispute, in order to avert the destruction of our country. Finally, following the intervention of the minister of labour and social insurance, and after several days of strike causing huge damages to the economy, the dispute was resolved through the signing of a new collective agreement which did not include the granting of work cards.

During the period under reference, the ccci particularly emphasised the issues of safety and health, since they decisively contribute to the reduction of labour accidents at work, increasing thus the enterprises' productivity.

To this end, the ccci actively participated in the cyprus safety and health council as well as in the specialised committees, and contributed in a constructive manner to the adoption of policies regarding safety at work.

Furthermore, the ccci had several meetings with the ministry of labour, the professional organisations and the trade unions for the examination of various labour matters.

In addition, the qualified personnel of the department of labour relations of the ccci actively participated in all the tripartite committees and in european union committees on labour matters, representing cyriot employers.

#### **The positions of the ccci in relation to dealing with enterprises' labour costs for 2013**

Taking into serious consideration the adverse consequences of the deep economic crisis on enterprises, which are facing major survival issues, the ccci decided to suggest to its members not to increase wage costs, including the cost of living allowance, for 2013. This decision was deemed necessary, giving the opportunity to enterprises to draw up strict plans aiming at minimising the grave risks threatening the future of the enterprises and their employees. At the same time, enterprises or sectors of the economy facing augmented financial problems shall be able to convene meetings with the trade unions or/and their personnel, in order to agree upon the measures that will be adopted in order to protect their viability and the job positions.

The ccci believes that, due the gravity of the current situation, the position of the economy in 2013 will not be the same as in the past, where raises in wages and in allowances were justified, and that in order to rescue enterprises and hence the current job positions, serious adjustments should be made in accordance with the new conditions which are being shaped in relation to the operation of the enterprises.

#### **Labour advisory body**

The labour advisory body, in which the ccci had an active participation, dealt with the following key issues:

- The framework agreement on the prevention of injuries caused

by sharp objects in the hospital sector and in the broader sector of healthcare;

- The amendment of the legislation in order to cover the deficit of the unemployment benefits account;

- The bill providing for the implementation of the european parliament and council regulation concerning the free movement of workers within the european union;

- The code of practice for small liquefied petroleum gas installations;

- The plan for the intensive training of new entrants in the field of safety and health;

- The review of the decree concerning minimum wage rates;

- The necessity of implementing an extraordinary action plan in order to deal with the crisis;

- The submission to the competent authorities of the standards adopted by the international labour conference;

- The publication of a code of practice concerning the thermal distress of workers and the briefing on the handling of the thermal load during the summer of 2012 by the department of labour inspection;

- The law regulating the expansion of sectoral collective agreements;

- The international labour organisation convention and recommendation on domestic assistants;

- The bill concerning enterprises of temporary employment;

- The bill concerning private employment agencies;

- The bill amending the law concerning wage protection;

- The reconciliation of family and business life;

- The code of practice concerning «work at a height»;

- And the draft regulations entitled "regulations concerning safety and health at work (elevators' operation, maintenance and control)".

#### **National employment committee**

The ccci had an active participation in the national employment committee, which worked on a review of the labour market, on informing about the possibility of adopting regulations concerning the restriction of employment licenses of foreigners coming from



third countries, on illegal/undeclared work and on the plans and new measures in support of employment.

The ccci has submitted its suggestions on all the issues discussed.

#### Social insurance council

During the period under review, the social insurance council, of which the ccci is a member, dealt with a variety of important issues such as:

- The recommendations of the european commission on pension schemes;
- The withdrawal of the wedding allowance;
- The reduction of the amount of the funeral allowance by 30%;
- The reduction of the maternity allowance from 75% to 72%;
- The proportional reduction of the amount of pensions in case they are paid before the age of 65;
- The freezing of the pensions of the social insurance fund for the 2013-2016 period, as well as of the social pension;
- The abolition of increases in the pensions of the social insurance fund for dependant spouses in case they have insurable employment as of 1/1/2013;
- The gradual increase from 10 to 15 years of the minimum years of paid contributions to the social insurance fund by one year each year, for the establishment of the right to receive old age pension;
- The readjustment of the retirement age every 5 years through its connection with life expectancy as of 2018;
- The increase of the amount of the contribution of employees and employers to the social insurance scheme by 1%, that is by 0.5% by the employees and by 0.5% by the employers, and by 1% in the case of the self-employed, as of 1/1/2014;
- And the conduct of an actuarial study on the social insurance scheme for the implementation of further amendments securing the long-term viability of the national pension system.

#### Redundancy fund and insolvency fund councils

The ccci is represented in the councils of the redundancy fund and the insolvency fund, which dealt with issues such as:

- the financial situation and the accounts of both funds during the period under review and
- The amendment of the legislation regulating the protection of the rights of employees in case of insolvency of the employer.

The number of the submitted applications for payment by the redundancy fund increased to 9860 in 2012 as compared to 7419 in 2011.

#### Cyprus safety and health council

The ccci, having placed safety and health at work matters among its top priorities, actively participated in the work of the cyprus safety and health council, which dealt with a variety of issues such as:

- The implementation of the system of supervision of the health of employees (the ability to implement the regulations in the context of the economic crisis, assumption of the costs through the implementation of the regulations);
- Ways of informing about and compensating for occupational diseases;
- The results of the cyprus presidency of the council of the european union;
- The results of the campaign of the committee of senior labour inspectors on psychosocial risk factors;
- The training plan for the new entrants in the labour market;
- The regulations governing the management of major-accidents hazards related to dangerous substances;
- The results of the 2012 activities (accidents, inspections, legal cases);
- The results of the pilot implementation of the code for thermal load;
- The inspection campaigns for 2013;
- The occupational medicine specialty;
- And the cypriot strategy on safety and health at work for the 2007-2012 period and its implementation provision plan.

#### Illegal and undeclared work

The ccci is against illegal and undeclared work and hence against any practices which upset the correct implementation of labour law. The ccci supported that the only way to secure the conditions of healthy competition in the labour market and to create new jobs for the cypriot unemployed is through reinforcing the monitoring and systematic supervision mechanisms.

To this end, the legislation regarding social insurance was amended, according to which each employer is obliged to fill in the beginning of employment certificate in triplicate before each employee begins to work.

In specific, the employee is under an obligation to present a copy of this certificate to any inspector of the social insurance service who may request it. The second copy is kept by the employer, while the third copy is sent to the district social insurance office no later than at the end of the month in which the employment began.

In case the employer neglects or omits to provide this certification before the employment begins or fails to send the certification to the



Visit to CCCI by a delegation of the Chamber of Saudi Arabia

district social insurance office within the period prescribed or fails to prove that he/she issued and granted this certification before the beginning of the employment or if he/she refuses to present a copy to any inspector, then he/she is committing an offence which is subject to extra-judicial settlement. The submission of false statements or misrepresentations shall result in the initiation of criminal proceedings.

#### Legal regulation and extension of sectoral collective agreements

The ministry of labour and social insurance submitted a draft bill for the legal regulation and the extension of sectoral collective agreements, which provided that:

- The minister of labour and social insurance is entitled to decide to issue an extension decree, which shall clarify all the practical details of the extension, for example, if the extension concerns all the provisions of the sectoral agreement or specific articles only.
- The possibility of extending a sectoral collective agreement may be requested by a trade union or an employers' organisation or be examined by the ministry of labour and social insurance on its own motion, when it deems that this would serve the public interest.
- In all cases the matter shall be examined by a tripartite advisory committee, which shall consider whether the determined criteria for the possibility of extension are fulfilled or not.
- The procedure for the resolution of labour disputes in relation to the implementation of the extension decree shall remain the same, that is, the procedure provided for in the industrial relations code. In case any employer refuses to implement the decree, the dispute may eventually be referred to an inspector appointed by the law or even to justice.

The ccci explicitly expressed its disagreement and warned that it strongly opposes any thought concerning the legal regulation of

collective agreements and the successful tripartite collaboration which is based on free collective negotiations, while at the same time it warned that its implementation will have unpredictable effects on the country's economy.

Despite the ccci's disagreement, the former council of ministers decided to submit the aforementioned bill to the parliament before the conclusion of the social dialogue, adopting in essence the request of the trade unions.

Upon the ccci's strong reaction, the bill was eventually withdrawn by the new government.

#### Implementation of a memorandum of understanding for the cost of living allowance in the private sector

In the context of the initiation of a social dialogue concerning the implementation of a memorandum of understanding for the cost of living allowance (cola) in the private sector, the ministry of labour and social insurance summoned a meeting of the social partners, in order to achieve a consensus which would at least satisfy the key provisions of the agreement on the cola which are included in the memorandum signed between the republic of cyprus and the troika.

The ccci submitted the positions listed below as approved by its board of directors:

- Any wage indexations shall be frozen during the period of validity of the memorandum;
- Upon the expiry of the freezing period, wage indexations shall take place annually;
- Upon the expiry of the freezing period, any indexation shall be decided in connection to the increase of productivity, the growth of the economy and competitiveness, on the basis of the criteria which shall be decided until 31/12/2012;
- And in case no positive growth of the economy takes place during the year before the indexation, the cola shall not be granted.



Due to the disagreement between the social partners, the discussion shall continue for the achievement of a specific solution before the end of 2013.

#### Operation of shops

The unprecedented economic crisis combined with the limitations on the working hours of shops has seriously affected the proper functioning of retail trade.

Indicatively, it should be mentioned that the retail trade turnout value index for the january-june 2013 period was reduced by 13.6% as compared to the corresponding period in 2012.

During the period under review, the ccci submitted a proposal to the government requesting that the working hours of the shops be extended in order to cover all the days of the week. In parallel, during a meeting that was held in the ministry of labour in july 2013, the ccci supported that the minister of labour and social insurance should immediately issue a decree expanding the geographical coverage of tourist designated areas in order to include the whole of cyprus, with the purpose of serving tourism and vitalising retail trade.

One of the ccci's arguments was that the aforementioned adjustment would reinforce entrepreneurship and reduce unemployment through the creation of new jobs.

As a result of the aforementioned actions of the ccci, the minister of labour and social insurance issued a decree according to which the whole of cyprus becomes a tourist designated area. The ccci fully agrees with this decision.

In parallel, the ccci welcomed the supreme court's decision which abolishes the regulated sales, on the ground that the current legislation regulating sales is contrary to community directives.

#### Foreign labour force

During the period under review, the ministry of labour followed a strict restrictive policy in relation to the employment of workers coming from third countries by limiting the work permits granted to foreigners.

Through continuous representations and contacts with the ministry of labour and social insurance, the ccci has warned that the said policy is not correct, since enterprises employ foreigners after they have exhausted the procedures for finding cypriot or community employees. The ccci pointed out that before initiating the procedures of forwarding unemployed candidate employees to employers, their fitness to respond to the requirements of the specific specialities should be examined, since it is common that unemployed persons are sent to specialities in relation to which they are unfit and unwilling to work. The ccci warned that if the government maintains the same policy, the enterprises which are in need of employees will be even more negatively affected.

The ccci department of labour relations keeps assisting its members in forwarding their requests for obtaining permissions for the import of workers from third countries in cases where it is impossible to find other solutions.

#### Flexible forms of employment

During the period under reference, the ccci continued promoting the introduction of the concept of flexible forms of employment. The ccci pointed out that, in view of the economic crisis, flexible forms of employment provide the necessary flexibility to enterprises, while at the same time they ensure the rights of the employers through eu directives and regulations. These forms of employment consist in flexible working hours, part-time employment, temporary employment, subcontracting, teleworking and working at piece rates.

The contemporary and flexible forms of employment are rapidly developed in the european union, because they positively contribute not only to the increase of productivity, but also to the obtainment of a comparative advantage for enterprises.

The ccci pointed out to all competent bodies that the implementation of flexible forms of employment, apart from attracting the inactive workforce to the labour market, will also bring about the reduction of the unemployment rate.

The ministry of labour and social insurance announced in april 2013 the initiation of the scheme of subsidised employment with flexible adjustments, which was welcomed by the ccci, since its adoption was a firm request and position of the chamber.

#### Occupational retirement benefit funds

The new law, which is harmonised with the corresponding eu directive, was adopted on 28 december 2012 and provides for the foundation, the registration, the operation and the supervision of the retirement benefit funds.

Upon the adoption of the aforementioned law, the laws concerning provident funds of 1981 until 2005 are abolished, as well as the laws concerning the foundation of the activities and the supervision of the occupational retirement benefit funds of 2006 and 2007. The new law introduces important changes in the way of operation and supervision of provident funds. In parallel with the adoption of this law, the council of the occupational and retirement benefit funds was established, of which the ccci is a member.

The ccci, as a member of the technical committee which was established in order to discuss this matter, apart from submitting suggestions for the amendment of the law, repeatedly expressed the view that an appropriate adjustment should be made in order to include insurance companies in this field. As a result of the ccci's actions, the issue of the participation of insurance companies has been settled, and the submission of the amendment of the law for its adoption by the parliament is expected.



*Photo from the Forum of the CCCI in Serbia for promoting Cyprus as business centre*

#### CCCI seminars on labour matters

During the period under review, the ccci's department of labour relations organised a successful series of seminars providing authoritative information and assistance to cypriot enterprises in relation to labour law matters. In specific, the department of labour relations, in collaboration with the ministry of labour and social insurance, the local chambers and the european information centre, organised seminars which were attended by owners, managers and senior officials of enterprises.

The seminars' purpose was to train and inform the participants on very important matters such as:

- Equal treatment in employment and professional training;
- Equal pay for equal work or equal value work;
- Protection of maternity;
- Parental leave and force majeure leave;
- Sexual harassment in the workplace;
- Informing employees about the terms of their employment relation;
- Laws concerning part-time employment and fixed-term work;
- And personal data in labour relations.

#### Department of labour relations

The well trained and experienced personnel of the department of labour relations, apart from representing the ccci and its members in all tripartite bodies and committees (tripartite and parliamentary committees) in which labour matters are discussed, provided to a great number of its members the services listed below:

- Study and evaluation of labour requests and assistance during negotiations with trade unions;
- Provision of advice for the appropriate resolution of personnel issues which emerge everyday in the workplace;
- Provision of advice related to the termination of employment, social insurance, security and health, the working environment and the whole range of labour law in general;
- Organisation of training seminars;
- Publication of brochures on labour matters;
- And assistance to the member enterprises in claiming and obtaining permissions for the import of foreign workers.



*From the CCCI visit to Serbia*

## Education - Training

### Educational activity

The ccci's educational activity continued in 2012, covering a wide range of subjects of business interest. In total, 42 programmes were organised in all the cities of cyprus. The human resource development authority of cyprus, the local chambers and other organisations, where necessary, collaborate closely with the ccci for the organisation of the programmes. In 2012 the ccci's agreement with the cyprus financial services institute for jointly organising specific seminars continued being in force.

In particular, the following programmes were organised:

- "issue, negotiation and settlement of accounts of guaranteed credits - a practical approach" (nicosia);
- "first aid at work, emergency incidents" (nicosia - twice, limassol, famagusta free area);
- "how to increase sales in the midst of the economic crisis" (nicosia-twice);
- «leadership and leaders: making the difference in the management of human potential" (nicosia)
- The main aspects of the cypriot labour legislation and their implementation by enterprises" (nicosia-three times, limassol-twice);
- «emotional marketing: exiting the crisis" (nicosia)
- "techniques for the professional distinction of the secretarial personnel" (nicosia-twice);
- "letters of guarantee and the application of the international regulations" (nicosia, limassol);
- «management of emotions for leaders» (nicosia);
- "safety and health in storage areas" (nicosia);
- "accounting for managers" (nicosia);
- "professionalism and productivity in sales" (nicosia);

- "effective communication» (nicosia);
- "basic bank loan criteria and specialised forms of funding" (nicosia, paphos);
- "how to manage strategic customers" (nicosia);
- «how you can beat the recession by co-operating with others» (nicosia);
- «managing employee engagement» (nicosia);
- «advanced online marketing for the health and pharmaceutical sectors in cyprus» (nicosia);
- «identifying and implementing a customer strategy as a driver of business excellence» (nicosia);
- "international trade: procedure, regulations and legislation" (nicosia);
- "the leader's style and organisational change" (nicosia);
- "the budget and the procedure of budgetary control" (nicosia);
- "proving your skills as a private secretary" (nicosia, larnaca);
- "merchandising: the silent seller" (nicosia);
- "energy management and opportunities for energy saving" (nicosia);
- "applying the regulations of the international commerce chamber in the current unstable business environment" (nicosia-twice, limassol);
- "growing the family business" (larnaca);
- And «aligning the employee strategy with a customer strategy for better performance and results» (nicosia).

### Professional examinations

In 2012 the cyprus chamber of commerce and industry maintained its collaboration with the ict-europe (informatics certification authority) for the certification of computer programmes.





Another photo from the meeting of the CCCI with the delegation of the European Parliament during their visit to Cyprus

The purpose of this collaboration is to jointly promote the examinations in informatics which are organised by the ict-europe in cyprus. The certificates of success issued to successful participants in the aforementioned examinations bear the seals of both the ict-europe and the ccci.

The new examinations, which are conducted online, with candidates being informed of the results immediately upon completing the examination, safeguard their inviolability and their authoritative validity.

The ict-europe/ccci is an informatics certification authority in cyprus, holding examinations according to the directives of the european union which bind all the european countries.

The ict-europe diplomas enjoy the recognition and the approval of the organisation for professional education and training of the greek ministry of education and religious affairs and are

recognised by all the european union countries. The diplomas aim at helping their holders in finding suitable work in all the territory of the european union and assisting enterprises in recruiting and employing well-trained personnel.

The examination levels cover the full range of the market's needs, stemming from programmes designed for children to the most specialised informatics subjects, and are offered both in greek and english. The examinations are supported by a complete series of textbooks and other educational aids.

We undoubtedly believe that all the cypriot enterprises/ organisations will continue to favour this endeavour of the ccci and will set the ict-europe/ccci certificates as a requirement for the recruitment of personnel.

The ict-europe/ccci participated with their own stand in the 20th education fair which was organised by the ministry of education and culture in collaboration with the cyprus state fairs authority.





CCCI monthly newspaper  
"Emporoviomihaniki" informs its  
members about the Chamber's  
activities

## Press Office

The Press Office is the communication liaison between the Chamber and the Mass Media in making known the CCCI's positions on current affairs to the public.

During the period under review, the Press Office maintained its general activities in the intense pace dictated by the emerging needs and by the relevant involvement of the Chamber in the current business affairs in the context of the extremely negative economic developments for enterprises.

During the past year, the Press Office published announcements concerning the CCCI'S activities and positions on various current issues, while interviews of the President and other officials of the CCCI concerning the consequences of the implementation of the measures imposed by the Memorandum were organised with the Mass Media. Moreover, it provided its valuable contribution to the organisation of several conferences, meetings and other events of the CCCI.

The Press Office cultivates relations of full information and cooperation with the Mass Media, and the close relation maintained by the Office, and hence by the CCCI, with the Mass Media representatives is more than evident.

### Emporoviomihaniki

During the past year the CCCI continued publishing its monthly newspaper, "Emporoviomihaniki", which is under a process of constant upgrade, enrichment of content and adjustment to emerging needs.

"Emporoviomihaniki" promotes the activities and positions of the CCCI, the Local Chambers and the Professional Associations and constitutes a means of informing the people of commerce and industry about the actions of the CCCI in relation to issues that concern them and more general issues related to business activities.

"Emporoviomihaniki" also informs entrepreneurs about cooperation opportunities with various countries, classified as exporters, importers and services, according to country of origin and product category.

It also publishes tenders by public and semipublic organisations as well as international competitions held in various countries.

"Emporoviomihaniki" not only constitutes a valuable means of information, but also an archive which records facts and positions concerning issues of universal interest. The newspaper is utilised as a reference publication not only by entrepreneurs, but also by analysts of economic affairs.

The CCCI's newspaper circulates among more than 10.000 readers and constitutes a useful tool in the hands of all the entrepreneurs, while it offers great promotion opportunities to enterprises advertising their products and services.

Through constant restructuring, the content of "Emporoviomihaniki" is enriched in order to cover the full range of needs of the CCCI's members.



From the CCCI briefing about European issues

## Information

The timely, authoritative and immediate provision of business information contributes to a great extent to the success of business activity, especially in times of economic crisis. This is why the Cyprus chamber of commerce and industry constantly and systematically enriches and renews its information provision system, being thus able to inform all interested entrepreneurs and the broader society of Cyprus about the most recent developments in the economy sector in general and in other sectors which may interest them.

The information supplied by the ccci to its members includes, among other things, business collaborations, the most recent business developments in Cyprus and abroad, the promotion of Cypriot products and services abroad, the support to the island's enterprises in upgrading and increasing their competitiveness, as well as complete and essential information regarding European Union affairs. The organisation of seminars and educational programmes is another form of providing information, to which detailed reference is made in another section of this report.

### CCCI data bank

The ccci data bank contains more than 8,000 entries and is a unique source of information which includes the full details of Cypriot enterprises. These details include names, addresses and business activity sectors, while at the same time there are entries of details of governmental departments, semipublic organisations, foreign chambers and generally private and public organisations in Cyprus and abroad. The data bank is linked to the ccci website (<http://www.ccci.org.cy>), providing thus a complete service to its members and the thousands of users of the data bank both in Cyprus and abroad.

### CCCI trade library

The ccci trade library is one of the most organised private libraries in Cyprus, containing a large number of foreign trade directories which include details (names-addresses) of manufacturers, suppliers and service providers from countries of Europe, America, the Far East, the Middle East, Africa and others. These publications are gradually being replaced by their corresponding electronic forms (CD-ROMs) and therefore some of these collections are no longer available in printed form.

Journals of trade and economic content, to which the ccci is a subscriber, are also available, such as Business Week, International Trade Show Directory and others. Moreover, the official gazette of the Republic of Cyprus is also available to the public, as well as the publications of the statistical service concerning the Cypriot economy.

The material of the library cannot be lent out and its use is restricted within the ccci area. The library is housed in the ground floor of the chamber building.

### Briefing the members

One of the key goals of the ccci is to maintain regular contact with its members and brief them on matters of their interest. This is achieved through email and the monthly ccci newspaper "emporoviomihaniki", which is sent to all the chamber's members as well as to various governmental and other organisations.

### Individual briefing - trade enquiries

The individual briefing of both Cypriot and foreign entrepreneurs aims at providing them with the necessary information which mainly concerns business collaborations. Due to the flexibility of



the chamber's information system, the collaboration interests for the promotion of commercial transactions of cypriot enterprises with foreigners are served both in cyprus and abroad.

#### Directories of trade promotion organisations

Among other things, the ccci library contains directories which are available to the persons interested in finding useful addresses of various foreign business institutions. The aforementioned directories include foreign chambers, international trade centres, trade centres in cyprus and abroad, trade promotion organisations of foreign countries, fairs around the world and others.

#### CCCI website

Thousands of visitors from cyprus and abroad visit the ccci website every day, since it contains the full directory of its members as well as all the activities and services offered to its members. The ccci website address is <http://www.ccci.org.cy>.

#### European reference centre

The european reference centre (erc) through its operation maintains a fully equipped and complete library, which principally contains the official publications of the european union, the european parliament, the economic and social committee, the committee of the regions, the auditing conference and other publications in greek and english. The publications and documents are the following:

- Official journal of the european communities from its founding date until today;
- Briefing brochures;
- Cd-roms;
- And periodical publications.

The material is classified according to subject (e.g. Labour market - free movement of workers).

Furthermore, the library contains publications on european affairs of several other local institutions, such as the research promotion foundation and the human resource development authority.

Because of this, it is also utilised as a centre of study and research of information related to the eu.

It is housed in the ground floor of the chamber building.

#### European business support centre of cyprus

The european business support centre of cyprus is a member of the european network "enterprise europe network" (<http://een.ec.europa.eu>) and is an information and advisory services provision mechanism, aiming at developing cypriot enterprises' competitiveness and innovation.

The "enterprise europe network" was founded on an initiative of the european union and is co-funded by the european commission (eu) in the context of the 2007-2013 competitiveness

and innovation framework programme (cip). It began operating in the beginning of 2008. Today, the network is comprised of 600 member organisations in 53 countries:

Austria, uk, albania, armenia, egypt, belgium, bosnia herzegovina, bulgaria, france, germany, denmark, estonia, greece, switzerland, usa, ireland, italy, iceland, israel, japan, spain, india, canada, croatia, cyprus, china, latvia, lithuania, luxembourg, malta, montenegro, mexico, moldova, morocco, south korea, norway, the netherlands, hungary, ukraine, poland, portugal, rumania, russia, serbia, slovakia, slovenia, sweden, tunisia, czech republic, turkey, finland, fyrom and chile.

The cyprus centre comprises the cyprus chamber of industry and commerce, the talos development organisation and the research promotion foundation, which is also the centre's coordinator.

As a member of this network, the ccci provides the following advisory services:

- It informs and directs the smes on community and national legislation affairs. In specific, it assists the smes in understanding how an amendment in the legislation affects their enterprise.
- It provides the enterprises with the possibility of accessing information of foreign markets, mainly in the countries covered by the enterprise europe network, such as national procedures (legislation), economic and statistical data, international fairs etc.
- It facilitates the access of the smes to both national and european funding programmes.
- It organises predetermined business meetings in cyprus and abroad.
- It assists enterprises in drawing up their business profiles for their promotion abroad.
- It assists enterprises in locating possible collaborators abroad through the eu business cooperation database. In this way, the first contact between cypriot and foreign enterprises is established.
- It provides information on the operation and the opportunities of the internal market (e.g. Customs regulations, legislative restrictions and demand for products by third countries).
- It enlightens and advises on business opportunities in the european union in relation to competitions based on projects and contracts.
- It promotes initiatives and policies of the european union in relation to the smes.
- It organises local panels of smes/deliberation panels (sme panels) for the purpose of collecting views on specific community legislation which is to be amended.
- It participates in formulating european policy through encouraging citizens, consumers, enterprises and other organisations to participate in open public deliberations and through disseminating the results of the deliberations which are not open to the public.



- It records the problems faced by enterprises in relation to eu legislation, the financing policies and programmes and afterwards informs the european commission.

#### European union publications office - subscriptions

The ccci is the official commercial representative of the annual subscriptions of the european union publications office in luxembourg (e.g. The official journal of the european union etc). This office also manages the electronic bookshop (eu-bookshop), which contains publications by the european institutions. The electronic bookshop is available in the 24 official languages of the eu. Its website is <http://bookshop.europa.eu>.

#### European union data banks

The ccci has succeeded in gathering a large quantity of information aiming at providing optimum services to the business people of cyprus in relation to european union affairs. The ccci data bank focuses on electronic information which covers legislation, official announcements and documents as well as policies of the european union on the various fields. The main electronic sources are:

Tedsupplement of the official journal of the european union regarding european notices of public contracts (<http://ted.europa.eu>).

#### Cordis

the cordis website is a specialised information service concerning the developments in the field of research, technological development and innovation (<http://cordis.europa.eu>).

#### Eu who is who

The eu who is who is an electronic directory which includes the organisational charts of community bodies, services and organisations in all the official languages of the eu (<http://europa.eu/whoiswho>).

Curiathe data base of the european court of justice. For the benefit of the public, the electronic version of the court's texts is available free of charge on the internet for information purposes. This version is subject to amendment. The final texts are published in the "reports of cases before the court of justice and the court of first instance", which alone are authentic and, in the event of their differing from the electronic version, are alone to be regarded as authoritative. Reproduction of the texts supplied on the data base is authorised provided that their source and non-authentic character are acknowledged and it is mentioned that they have been provided free of charge (<http://curia.europa.eu>).

Eur-lexthe eu legislation portal. It enables the search of legislation, jurisprudence and other legal documents (<http://eur-lex.europa.eu>).

#### Legislative observatory (oeil)

This data base is the european observatory of the european parliament, where the user has the opportunity to monitor the course of execution of a specific act by the european parliament (<http://www.europarl.eu/oeil>).

Prelexprelex is a data base of inter-institutional procedures which provides the opportunity to monitor the main stages of the decision-making procedure between the european commission and other institutional bodies (<http://ec.europa.eu/prelex>).

#### Eurostat

The european statistical office provides statistics concerning the eu countries. Eurostat covers various eu sectors such as the economy, population, research, trade etc (<http://epp.eurostat.ec.europa.eu/>).

#### Market access database

Information concerning the conduct of trade between the eu and third countries. Access to the sections sectoral and trade barriers database, sps database, statistics and studies is free. Access to the sections exporter's guide and applied tariffs is restricted to visitors from member countries (<http://madb.europa.eu>).

#### Taxation and customs unions databases

A data base which is comprised of the customs services of the member states. (([http://ec.europa.eu/taxation\\_customs](http://ec.europa.eu/taxation_customs))).

#### Participation of the ccci in programmes

During the period under review the ccci participated in the following programmes:

- «economic interdependence ii» undp-act project no. 80168-11-001

The united nations development programme (action for cooperation and trust in cyprus) provides funding to the activities of the project «economic interdependence ii», which began in september 2011 and were concluded in july 2013. The activities are materialized by the cyprus chamber of commerce and industry (ccci) and the turkish cyriot chamber of commerce (tcc), while the promotion of economic interdependence between the greek cyriot and the turkish cyriot communities constitutes the fundamental goal of this project, assisting thus the enterprises of both communities in reinforcing their economic relations.





*Meeting of the general assembly  
of the Balkan Chambers*

The most important activities of the programme were: the undertaking of a campaign to promote the economic benefits that will emerge in case the cyprus problem is solved; the reinforcement of the bicomunal business guide which was drafted in the context of a previous programme; the further development through additional applications of the special website of the programme, through which bicomunal cooperations are promoted, among other things; the creation of a permanent cooperation framework between the ccci and the tcc; the reinforcement of the relations of the professional associations of the two communities; the provision of relevant training; and, finally, the undertaking of publicity actions.

It should be noted that the first programme, which was completed with success, was presented during the period under review as a case study at the special inter-regional conference organised by the united nations development programme.

During the period under review, the activities concerning the expansion of the bicomunal guide and the website, the campaign for the promotion of the economic benefits which will emerge in case the cyprus problem is solved through the production of a short film and the creation of a permanent cooperation framework between the two chambers were continued.

- Actions for the extroversion and promotion of island enterprises of the aegean sea and cyprus - syn-pratto

The project bearing the acronym syn-pratto is materialised through a european territorial cooperation programme (cyprus-greece cross-border cooperation programme 2007-2013), in which the ccci acts as head partner.

The principal goal of this project is to develop tools and means which will assist the smes of the foodstuffs-beverage sector in improving their level of operation and also in making them more extrovert. Apart from the cyprus chamber of commerce and industry, the corporate formation includes the dodecanese chamber and the chambers group for the development of greek isles.

The results expected from the materialisation of this project include: the improvement of the internal organisation of smes and the obtainment of specialised knowledge through educational seminars; the creation of economies of scale with the 3 clusters through which extrovert activities shall take place inside and outside the cross-border area; and the development of synergies and joint actions for dealing with the common difficulties and obstacles of entrepreneurship.

#### ● Ecofunding

The project bearing the acronym ecofunding is materialised through the med programme 2007-2013, to which the ccci participates as a partner.

The principal goal of this project is to create and develop new financing tools concerning green enterprises.

The term "green enterprises" encompasses the smes which either provide green services, such as renewable sources of energy, energy saving, products recycling and efficient waste and water management, eco-innovation and green chemistry, green transports, organic farming and ecotouristic units etc, or they themselves adopt a green business perception, regardless of the products they produce or the services they offer and their relevant production processes.



An online platform providing financing services to investors and entrepreneurs will be created, while at the same time innovative financing solutions will be provided to green enterprises.

- **Fired**

The project bearing the acronym fired is materialised through the med programme 2007-2013, to which the ccci participates as a partner.

The principal goal of this project is to establish closer contact and cooperation between local and regional authorities with the financial-investment institutions in the energy sector. The ultimate goal is to create new financing tools and services for the smes of the energy sector, which will in turn contribute to the regional development planning of each participating institution. It also aims at establishing closer cooperation between public and private organisations supporting the operation and development of energy investments.

- **“syn-ergo: integrated actions for the joint promotion-presentation of cretan and cypriot products and enterprises in crete and in cyprus”**

The purpose of the syn-ergo project is to manage the inability of the smes of the cross-border area of crete-cyprus to develop extrovert activities, due to insularity and isolation, the low level of competitiveness in products and services, the lack of specialised and well-trained personnel and the existence of a large number of small and very small enterprises which are export-oriented but are unable to meet the requirements of the modern international and european model of the markets' operation. Moreover, in the context of this project a common brand name will be created for cretan and cypriot products in european markets.

The activities of the syn-ergo project began in may 2011 and are expected to be completed by november 2013. It is co-financed by the structural funds of the european union in the context of the cyprus-greece cross-border cooperation programme 2007-2013.

- **“score” sustainable construction in rural and fragile areas for energy efficiency**

2012 saw the completion of the activities of the “sustainable construction in rural and fragile areas for energy efficiency - score” project. Based on its firm policy of promoting and exploiting renewable sources of energy, the cyprus chamber of commerce and industry participated as a partner in this project, which was co-financed by the european commission.

This project's goal was to promote sustainable energy policies in the constructions sector, focusing on fragile, coastal and rural

areas of the mediterranean of particular natural beauty, by utilising innovative environmental opportunities and by using traditional construction materials combined with innovative green technologies. In this context, innovative tools were created to provide for energy efficient construction practices, while several actions were materialised in order to encourage sustainable construction in cyprus.

- **“cyprus's eyes are open”; erasmus for young entrepreneurs**
- **“europe's eyes are open”; erasmus for young entrepreneurs**

Following the completion of the “cyprus eyes are open” project in october 2012, the second stage of the programme “erasmus: young entrepreneurs” continued with great success.

Giving priority to entrepreneurship and the creation of job opportunities, this programme assists ambitious european entrepreneurs in obtaining the necessary skills in order to successfully start up or/and manage a small enterprise in europe. Young entrepreneurs meet and exchange knowledge and business ideas with an experienced entrepreneur for a period of 1-6 months. Accommodation is partly funded by the european union.

The fact that young entrepreneurs benefit from on-the-spot training in a small or medium sized enterprise in another country of the european union facilitates the successful starting up of a new enterprise. Host entrepreneurs benefit from the fresh ideas of a young entrepreneur. This cooperation is one of mutual benefits, since both sides have the opportunity to discover new european markets or business partners as well as different ways of business action.

70 young entrepreneurs and 78 host entrepreneurs participated in the first stage of the cyprus eyes are open project, while in regards to the current stage more than 63 entrepreneurs participated until the end of 2012. The duration of the “europe's eyes are open” project is from may 2012 - january 2014.

- **“eupa: validation of formal, non-formal and informal learning: the case study of personal assistants”**

2012 saw the completion of the eupa project, which concerned personal assistants and private secretaries. Based on european policies related to the validation of qualifications, the main goal of the eupa project was the development of a model for the validation and the verification of qualifications in the field of personal assistants on the basis of learning outcomes.

the eupa project was materialised in several stages through which the framework of professional qualifications was developed, based on a study which pinpointed not only the knowledge, the skills and the abilities a personal assistant should have, but also the importance (the value) of different learning





*The Presidium of the Export  
Award Committee*

outcomes. In the context of the eupa project, an evaluation tool was also developed, aiming at evaluating the knowledge, the skills and the abilities of personal assistants. Moreover, educational material for each learning outcome was designed and developed.

● “go to mediation!”

The project “go to mediation!” started in january 2013 and is expected to be completed in december 2014. This is a pioneering project in the cypriot context, and its purpose is to play an essential role in promoting and providing information on mediation in specific, but also in promoting alternative methods of dispute resolution in general.

The project is materialised by the chambers and the mediation centres in 9 european countries, which aim at promoting mediation for civil and commercial disputes. In parallel, this project will facilitate the enterprises’ access to the mediation procedure, while it will also improve the contact and cooperation between mediators and entrepreneurs.

● Sts-med (small scale solar units for mediterranean communities)

The activities of another programme were initiated in 2013. The co-funded “small scale solar units for mediterranean communities” programme focuses on the development, the application and the diffusion of this specific pioneering technology aiming at improving energy efficiency in public buildings. This project will develop 4 demonstrative plants for a total power of 400 kw based on concentrated solar energy, serving the energy demand of 20,000 end users coming from 20 mediterranean local communities.

The ccci’s role in this technical project consists in the promotion of the application of innovative technologies in cyprus and also the creation of new opportunities for the relevant commercial and industrial sectors, mainly by improving the technical skills of the professionals involved and by reinforcing smes in establishing an integrated supply chain in the solar energy field.

● “build up skills”

The “build up skills” initiative, which was co-funded by the eu, is a strategic section of the broader framework of the european programme «intelligent energy - europe», which aims at the continuous education and training of those working in technical professions in constructions and in relevant sectors which are related to the installation and maintenance of energy saving systems (ess) and renewable sources of energy (rse) in buildings. The ultimate goal is that these persons acquire the necessary knowledge, skills and mentality in order to render the constructions sector as well as the other relevant sectors efficient enough to respond to the relevant goals for 2020.

The activities of this project were initiated in november 2011 and were successfully concluded in may 2013.

**World chambers network (wcn)**

The ccci is a member of the wcn, which operates exclusively through the internet and provides a great amount of information concerning all the chambers worldwide. One of the main activities of the wcn is also the electronic publication of business interests. Through the wcn, the ccci can register any cypriot entrepreneur’s interest in collaboration in the trade, industry and services sectors, while at the same time entrepreneurs can be informed about the collaboration interests of other enterprises.



*Meeting of the CCCI with the  
Prime Minister of Nagorno  
Karabakh*

#### International chamber of commerce (icc) publications

The publishing house of the international chamber of commerce is represented in cyprus by the ccci, offering a wide range of publications which guarantee the successful conduct of international business activities. In particular, the publications cover questions of international trade, transports, commercial law, banking and insurance procedures, as well as other fields of modern trade.

the publication material of the icc results from the proceedings of the icc's committees, which are comprised of sector specialists and representatives of several organisations.

The publications cover three general categories - icc regulations and standards, practical directives and reference projects. The regulations are updated on a periodical basis in order to take into account the developments of trade and banking practices. The most well known publications of the icc are the urdg (uniform rules for demand guarantees) and incoterms®, which have both been translated into more than 30 languages.

Being unique in kind, these publications constitute a valuable aid

to entrepreneurs, bankers, lawyers, legal advisors, researchers, educators, business consultants and others.

#### World trade organisation (wto) publications

The ccci is the exclusive representative and distributor of the world trade organisation (wto) publications in cyprus. These publications mainly deal with economic issues and cover, among other things, annual financial reports, international trade statistics, legal texts, agreements, market researches etc. It is worth mentioning that the world trade organisation has determined the library of the ccci as a "depository", that is to say a data and information base of the wto, for the purpose of utilising to the greatest possible extent its exceptionally important material.

#### United nations (un) publications

The ccci is the official distributor of the united nations publications in cyprus. These publications mainly cover economic, legal and environmental issues, as well as political and social sciences.





Meeting of the general assembly  
of the Balkan Chambers

## Local Chambers

Local chambers of commerce and industry operate in nicosia, limassol, famagusta, larnaca and paphos, having competence not only over the cities, but also over the corresponding districts. The nicosia cci also covers the kyrenia district.

During the period under review, the activities of the local ccis were adjusted to the pressing needs emerging from the effects of the economic crisis and the sudden shrinkage of entrepreneurship and of their members' business activities.

The local ccis remain the key actors promoting local issues in their city and district, in which they play an essential role. They study in depth the problems which are proper to their region and suggest substantiated solutions to resolve them through memorandums and contacts with the government and the local authorities, with which they maintain constant communication and discussion. In the context of the prevailing irregular situation, these contacts were intensified both separately and collectively, under the umbrella of the ccci.

During the period covered by this report, the local ccis made intensive efforts to promote immediate solutions to local problems, contributing also to the urgent need to take measures in support of enterprises.

The activities of the ccis also include the operation of development companies, aiming at promoting projects of major importance to their corresponding cities and districts, covering especially the tourism sector. Emphasis is given to the need of infrastructure enriching the tourism product, including casinos, marinas, golf courses and conference centres.

In this context, the local ccis undertake and promote pioneering actions in relation to specific projects.

The local ccis actively participate in all the aspects of local life. Beyond the business sector, their participation covers sectors of cultural character, such as social action for tackling the citizens' problems arising from the economic crisis. They also submit views and suggestions concerning more general problems of their district. In the majority of sectors, the ccis head local institutions in action plans at local level. Their participation in local events is also evident and productive.

At the district level, the local chambers offer services to their members in connection to the issues of their concern and convey the positions of the district on the general economic problems of the country to the ccci. They also act as two-way communication channels between the centre and the periphery.

The local chambers collaborate closely between them as well as with the ccci, especially in matters of general interest. This collaboration strengthens the chamber institution and establishes the family of the business people on a pancyprian basis as an organ of multifaceted activity and as a rampart for safeguarding the entrepreneurs' interests and securing a steady economic growth for the country. At the local level, the local chambers operate as autonomous organisations, while on a pancyprian basis they present themselves collectively as a unified organisation through the ccci. The direct result of this structure is the strengthening of the chambers both at a regional and a pancyprian level.





CCCI President Mr. Phidias Pilides addressing the 2nd Energy Symposium in Nicosia

## Professional Associations

The professional associations operating under the auspices of the ccci cover the whole range of the country's business activities, having as a main characteristic the specialisation of action based on the common interests of the members of each specific sector. The number of the ccci's professional associations is constantly rising through the addition of new interest groups and specialised business activities.

During the year covered by the report, the programmes of action of the professional associations were adjusted to the needs of their members arising from the economic crisis. Through their activities in the fields of their competence, the professional associations promoted their members' interests, while at the same time they offered valuable information and views to the ccci on more general matters concerning the economy and business activity.

The ccci acts as a powerful supporter of the professional associations and promotes solutions to their problems in coordination with their boards of directors. The specialised positions and views of the professional associations constitute an important tool for shaping the ccci's policy on issues of specialised interest.

During the past year, the professional associations also took action aiming at the improvement of their organisation and their internal operation. The ccci offers essential secretarial and other services to these associations.

In the context of supporting and promoting the associations' professional interests and goals, the grouping for the purpose of the examination of issues of shared interest is promoted among

association groups. This tactic has proved to be very effective, as it is shown by the handling of the problems in tourism through the collective reflection process of the nine professional associations dealing with tourism affairs, which was mobilised by the ccci.. During the period under review, special emphasis was added to the tourism sector, which has acquired an elevated significance due to the economic crisis.

The professional associations play a fundamental role in the effective promotion of issues concerning the various sectors of the economy, and this is proved by their active participation in competent working groups and to bipartite and tripartite bodies.

The professional associations also have a noteworthy contribution to more general business discussions as well to the discussions taking place in the parliamentary committees, enhancing the efficiency of the study and promotion of the various issues through submitting their specialised positions.

At the time of the preparation of report, a total of 140 professional organisation were operating under the aegis of the ccci. A list of the associations classified by sector of activity is provided at the end of this report.

During the period covered by this annual report, the following associations joined the ccci:

- Association of large-scale development projects
- Cyprus hydrocarbons association
- Cyprus netherlands business association





# International Organisations of Co-operation

## Eurochambers

The ccci is a full member of the eurochambers, representing cypriot chambers in this par excellence european chamber organisation. The ccci's active participation in the activities of the eurochambers was particularly important due to the cyprus presidency of the european union during the 2nd semester of 2012.

During the cyprus presidency, the ccci had a significant role in communicating the positions and views of the eurochambers both to the cypriot ministers presiding at the various eu councils and to the eu officials who visited cyprus. Moreover, the extraordinary meeting of the eurochambers held at the beginning of the cyprus presidency was briefed by the permanent representative of cyprus in brussels on the presidency's priorities and its programme of action.

In parallel, the ccci maintained its regular participation in the meetings of the general assembly and the board of directors, and also in the work of specialised bodies, committees and surveys of the eurochambers with their member chambers, expressing the positions and views of the business community of cyprus and jointly formulating the relevant positions and views of the eurochambers regarding a multitude of issues mainly arising from the *acquis communautaire*. At the general meeting held during the cyprus presidency, the president of the ccci presented the priorities, the challenges and the progress achieved by the presidency.

During the period under review, these issues included, among other things, the smes, competitiveness, professional education and training, employment, energy, entrepreneurship, the common market, industrial policy, trade with third countries, european programmes, late payments, patents etc.

In parallel, the ccci participated in surveys concerning the activity of european enterprises in china and the involvement of the smes in standardisation issues, as well as in the updating of data for the european chamber system.

Moreover, during the period under review, the eurochambers' annual large-scale pan-european economic survey of business expectations in europe was conducted, in which the ccci participates. Its findings on cyprus (the local survey was conducted by the ccci) were unfortunately worse than ever, since all indexes were particularly negative due to the difficult economic situation faced by cyprus in 2012, as a result of the world economic crisis.

It should also be mentioned that during the period under review, the activities of the gotomediation! European programme were initiated. The eurochambers are the head partner and the ccci is a participant in this programme. More information on this programme as well as on all the programmes to which the ccci

participates is provided in the annual report's section entitled «information».

## International chamber of commerce (icc)

The international chamber of commerce, which has a 100-year history, is based in paris and represents all the chambers of the un member countries. Today, the number of the national committees which are members of the international chamber of commerce exceeds 200, and cyprus is represented on this world organisation by a national committee through the ccci.

The international chamber of commerce is par excellence the representative of the business people at a worldwide level, promoting the positions and views of the international business community to all directions, and especially to the united nations organisation, the european union, the world bank and the international monetary fund, the world trade organisation, the g8 and g20 summits, as well as to all the regional organisations of latin america, the far east, southeast asia, south africa, the african continent etc.

The activities of the international chamber of commerce cover a broad range of issues, to which cyprus actively participates. These issues cover, among other things, the rules on international trade, banking affairs, international trade arbitrations, commercial law, competition, combating trade fraud, investments, transports, telecommunications etc. The international chamber of commerce shapes policies on the aforementioned issues and promotes the positions and views of the international business community to all competent organisations.

The cyprus national committee also provides a wide range of services to enterprises including publications of commercial content, publications of regulations, directives and standards governing specific aspects of international trade, as well as the important issue of arbitrations.

Cyprus is represented on the icc by the president of the national committee mr. Vasilis g. Rologis and the secretary general of the committee mr. Marios tsiakkis.

## Association of the mediterranean chambers of commerce and industry (ascame)

During the past period, the ccci maintained its participation in the activities of the association and in the meetings of its administrative bodies (the general assembly and the executive committee), as well as its representation in the specialised committees for tourism, the supply chain, transports and investments. The association represents the mediterranean chambers and the ccci is a full member.

During the period under review the ccci also expressed its intention at a special deliberation of the association to participate in the





«euromedinvest» programme, which will deal with investments in the mediterranean basin, and to this end it submitted the fields in which it wishes to intervene.

#### Association of balkan chambers (abc)

The participation of the ccci in the work of the general assembly and in the activities of the association in general, which aim at promoting business cooperation between balkan countries, as well as with the broader european area, continued during the period under review. It should be mentioned that the ccci represents the cypriot chambers as a full member of the association.

2012 coincided with the undertaking of the presidency of the association by the ccci, and hence the two general assemblies of the association for that year were organised by the chamber in cyprus, in march and november 2012. Approximately 20 representatives of the balkan chambers took part in the november assembly and dealt with a series of issues concerning the balkan countries. Specifically, the following issues were discussed among others:

- The need to support smes;
- The creation of a friendly environment for smes;
- The development of smes' skills;
- The participation of the balkan chambers in european programmes;
- The problem of late payments;
- And women's entrepreneurship and its contribution to development.

Apart from the president of the ccci, the deputy minister to the president for european affairs mr. Andreas mavroyiannis attended the assembly and presented the progress and the results of the cyprus presidency of the eu during the 2nd semester of 2012.

In the context of the assembly, a special meeting of the council of women entrepreneurs was organised on the previous day, which dealt with issues concerning women's entrepreneurship, gender equality, the activation of the inactive female workforce and the principles of the united nations on reinforcing women.

Finally, during the period under review the ccci participated in a special survey concerning the connections and the commercial transactions between balkan countries, in view of the association's general assembly which was held in april 2013 in montenegro. The main conclusions of the assembly were that there is a need to further boost cooperation between the balkan chambers, to further promote the chambers' services, to promote regional cooperation in order to improve transport infrastructure in the balkans and to encourage the governments of the balkan countries to promote transport connections in the whole area of the balkans.

#### European association of small and medium sized enterprises (ueapme)

The ccci's participation in the activities of the european association of smes continued during the period under review. The ccci is a full member of the association representing the cypriot enterprises. The association is one of the social partners of the european commission, and this gives the ccci the opportunity to take part in the shaping of the positions and views of the european social partners which are submitted to the commission.

The ccci participated in the work of the general assembly, the board of directors and the executive board of the association, as well as in the work of specialised committees dealing with issues such as training, social affairs, environment, economic and fiscal issues etc.

During the period under review the ccci participated in the association's deliberations on the application of the late payment directive, the quality framework for trainees, the regulations on the entry and residence in the eu of non-community researchers and students, the promotion and ratification of non-formal and informal training, equal pay, the review of the european union regulations concerning public aid (general exceptions and de minimis), the evaluation of the incorporation of the directive on equal treatment, youth employment, the protection of business and research know-how, the new guidelines on regional aids, the proposal for a non-discrimination directive, the review of the directive on the posting of workers, product safety, apprenticeship and others.

Furthermore, the ccci participated in surveys concerning the involvement of the smes and their organisations in designing and implementing the programmes of the regional policy of the eu and the structural funds, and also in a seminar organised in cyprus (in the context of the cyprus presidency of the eu) by the social partners of the eu, which concerned european social dialogue.

It also noteworthy that, during the period under review, the ccci participated for the second consecutive time in the association's special barometer for smes by conducting a survey at the national level and providing data concerning the business climate as experienced by cypriot smes. The results of the survey showed that the business climate was much more negative than the first time, outlining a truly disappointing image due to the unfavourable effects of the economic crisis, especially on smes.

During the period under review the ccci also participated in a special evaluation survey of the work of the european association of smes and contributed to the preparation of the report on cyprus and to pinpointing optimum practices in relation to the framework of actions on gender equality which was agreed by the social partners at the eu level.



It is also noteworthy that, during the period under review, the ccci had a significant role in communicating the positions and views of the association both to the cypriot ministers presiding at the various eu councils and to the eu officials who visited cyprus in the context of the cyprus presidency of the eu.

#### Eurocommerce

As a full member of eurocommerce, the ccci represents the commerce sector of cyprus in this organisation, which represents the national commerce organisations of the european countries at a pan-european level, and participates in its activities.

The participation in eurocommerce's activities continued during the period under review. In particular, the ccci participates in the work of the general assembly and the board of directors of the organisation, as well as in the work of specialised committees dealing with international commerce, smes, the policies concerning enterprises, social affairs and social dialogue etc.

During the past period, the ccci submitted its positions and views in the deliberations of eurocommerce concerning the need to found a european skills council for commerce in relation to employment (especially youth) and skills, the quality framework for trainees, the supply chain, the common market, trade defence instruments, smes, new skills and job opportunities, the posting of workers, the minimisation of the administrative burden for smes, entrepreneurship, the 10 most burdensome laws for enterprises at the community level, international public tenders, apprenticeship etc.

In parallel, the ccci took part in a relevant survey of eurocommerce, which aimed at upgrading the way of operation and the activities of both the organisation and its specialised committees, a survey concerning the priorities of the committee on international trade, a survey concerning the new directive on the rights of consumers and a survey on professional training.

#### Gs1 cyprus

Gs1 is a non-profit organisation based in brussels and represented in 113 countries worldwide. It exclusively deals with the development and implementation of universal standards and solutions, with the purpose of improving the efficiency and transparency of supply chains both worldwide and at a national level.

The gs1 standards provide that products, services and the relevant information circulate efficiently and safely to the benefit of enterprises. This facilitates the cooperation between enterprises in all the stages of the supply chain with distributors, retailers, hospitals, carriers, customs offices etc. The gs1 standards apply to more than 20 industrial sectors and are used by more than 2 million enterprises in the world.

The gs1 series of products and services is constantly being upgraded and at present offers, in addition to the gs1 system of standards, the next generation technologies and solutions, such as gdsn (data synchronisation), epcglobal (rfid technology), mobilecom (products identification service - barcode through mobile phones) and traceability. At the global level, the objective of the service is to be gradually transformed into an organisation offering direct solutions and services not only to enterprises, but also to consumers.

In specific, the task of gs1 cyprus is to issue and manage the gs1 code numbers for the cypriot enterprises, to manage and promote the usage of the system and to provide advisory services related to the application of the gs1 standards. Moreover, gs1 cyprus undertakes activities and offers services such as training and technical support, in order to ensure that the subscribers make correct use of the system. During the past year, the service placed particular emphasis on the retail trade sector and has achieved that the first edi system (electronic data interchange) is based on the gs1 standards and guidelines. The edi is the electronic data interchange between enterprises in a standardised format through the computers of the sender and the recipient, which results in the minimum usage of manual registration.

#### Wasme

The ccci represents the cypriot smes in the international organisation wasme (world association for small and medium enterprises) and participates in the effort of providing support to enterprises at world level. The wasme was founded in 1980 in india and is one of the most zealous supporters of the smes, participating in a large number of other international organisations, such as the ilo, unido, unesco, itc and others.



## Structure of the CCCI

**SECRETARY GENERAL:** Panayiotis I. Loizides  
(till 31/12/2012)  
Marios Tsiakkis  
(from 1/1/2013)

**DEPARTMENT OF INDUSTRY  
DEPUTY DIRECTOR:** Andreas Andreou

**DEPARTMENT OF SERVICES  
& TRADE DIRECTOR:** Christos Petsides

**DEPARTMENT OF EDUCATION  
AND DEVELOPMENT DIRECTOR:** Leonidas Paschalides

**DEPARTMENT OF LABOUR  
AFFAIRS DIRECTOR:** Emilios Michael

**HEAD OF ACCOUNTS SECTION:** Katia Antoniou

**PRESS OFFICE:** Priamos Loizides

**CERTIFICATES OF  
ORIGIN SERVICE:** Andri Georgiadou

**SENIOR OFFICERS:** Vassilis Vassiliades  
Demetra Palaonda  
Christos Tanteles  
Stalo Demosthenous

### OFFICERS:

Lia Riri  
Panayiotis Panayi  
Zacharias Manitaras  
Theodoros Anderson  
Polycarpos Peratikos  
Evangelos Douloufakis  
Michalis Protopapas

### SECRETARIAL PERSONNEL:

Androulla Xenophontos  
Stella Nicolaou  
Martha Georgiadou

Meropi Kattou  
Maria Constantinou  
Claire Andreou  
Anna Tsangari  
Stavroulla Christodoulidou  
Eleftheria Xenophontos  
Elena Cleanthous  
Soulla Parpa  
Yianna Pelekanou  
Georgia Venizelou  
Nicos Panteli  
Panikos Panayiotou



# Structure of Local CCCI

## NICOSIA CCI

SECRETARY/DIRECTOR:	Socrates Heracleous
DIRECTOR OF INDUSTRY & EUROPEAN ISSUES:	Andreas Antoniadis
SENIOR OFFICER TOURISM:	Niovi Parisinou
SECRETARIAL PERSONNEL:	Aphroulla Christodoulou Chryso Charalambous

## LIMASSOL CCI

SECRETARY/DIRECTOR:	Christos Anastasiades
OFFICERS:	Anthia Papageorgiou Nicolas Iordanous
SECRETARIAL PERSONNEL:	Costakis Christou Sophia Leonidou

## FAMAGUSTA CCI

SECRETARY/DIRECTOR:	Iacovos Hadjivarnavas
SECRETARIAL PERSONNEL:	Maro Papaleontiou Christophis Zacharoudiou Kika Charalambous

## LARNACA CCI

SECRETARY/DIRECTOR:	George Psaras
SECRETARIAL PERSONNEL:	Skevoula Cleanthous Demetris Christou Maria Poyadji

## PAPHOS CCI

SECRETARY/DIRECTOR:	Kendeas Zambirinis
SECRETARIAL PERSONNEL:	Natasa Demetriou Marios Andreou



# Professional Associations and their Presidents

## Production: (Industry-Agriculture)

1. Association of Biscuit, Chocolate, Snack and Sugar Confectionery Manufacturers - A. Hadjikyriacos
2. Association of Manufacturers of Paints, Varnishes and Adhesive Substances - A. Hadjipanayis
3. Association of Cartridges and Pellets Manufacturers - E. Psimolophitis
4. Association of Prefabricated Products of Concrete - S. Tsouris
5. Cyprus Aerosol, Detergents and Cosmetics Manufacturers Association - A. Georgiou
6. Cyprus Association of Incubators Enterprises - A. Michaelides
7. Cyprus Association of Industrial Areas - L. Psimolophitis
8. Cyprus Association of Industrialized Packing of Agricultural Products and Salt - M. Demetriou
9. Cyprus Association of Manufacturers and Suppliers of Feedstuffs, Additives and Raw Materials - G. Katodritis
10. Cyprus Association of Ready - Made Concrete Manufacturers - N. Kyriacou
11. Cyprus Association of Tissue Paper Converters -
12. Cyprus Association of Water Bottlers - G. Ierodiakonou
13. Cyprus Bakers Association - L. Savvides
14. Cyprus Breweries Association - P. Photiades
15. Cyprus Brick and Tile Manufacturers Association - Ant. Christodoulou
16. Cyprus Canners and Fruit Juice Manufacturers Association - Mrs K. Kotsapa
17. Cyprus Crush Plants Association - A. Latouros
18. Cyprus Dairy Products Manufacturers Association - G. Petrou
19. Cyprus Employers Association of Processors and Exporters of Citrus Fruit and Grapes - Pl. Lanitis
20. Cyprus Federation of Professional and Craft Confectioners- K. Hadjichristodoulou
21. Cyprus Flour Manufacturers Association - Chr. Mitsides
22. Cyprus Ice-Cream Manufacturers Association - P. Papaphilippou
23. Cyprus Macaroni Manufacturers Association - D. Mitsides
24. Cyprus Meat Products Association - K. Gregoriou
25. Cyprus Olive Mills Owners Association- L. Louca
26. Cyprus Pharmaceutical Manufacturers Association - Ch. Pattichis
27. Cyprus Plastics Processors Association - Chr. Papadopoulos
28. Cyprus Poultry Breeders Association - P. Paradisiotis
29. Cyprus Recyclers Association - Mich. Michaelides
30. Cyprus Sea Farming Association - S. Agrotis
31. Cyprus Swimming Pools Association - George Ttofis
32. Cyprus Union of Furniture Makers and Carpenters - M. Socratous
33. Cyprus Water - Treatment Companies Association - M. Poufos
34. Feedstuf Mills Association - G. Tsappis
35. Pancyprrian Association of Biogas-Energy Producers - G. Andreou
36. Pancyprrian Association of Dry Nut Processors - A. Neophytou





### Trade:

- 1.Association of Fruit & Vegetables Importers - P. Agrotis
- 2.Association of Importers and Distributors of Automobile Spare Parts - D.Theocharous
- 3.Association of Importers of Infant & Baby Foods - G. Papas
- 4.Association of Importers of Electrical Domestic Appliances - O. Theodoulou
- 5.Association of Mass Consumption Goods Suppliers - Z. Markides
- 6.Association of Sanitary-ware Merchants - A. Agathocleous
- 7.Association of Suppliers to the Duty Free Shops - R. Lysiotis
- 8.Cyprus - American Business Association - M. Miltiadous
- 9.Cyprus - Austria Business Association - N. Kyriakides
- 10.Cyprus - Bulgaria Business Association - X. Xenopoulos
- 11.Cyprus - Canada Business Association - Mich. Antoniadis
- 12.Cyprus - China Business Association - A. Moushiouttas
- 13.Cyprus - Croatia Business Association - L. Benfield
- 14.Cyprus - Czech Business Association - V. Loizou
- 15.Cyprus - Egypt Business Association - A. Christofides
- 16.Cyprus - France Business Association - A. Kashouris
- 17.Cyprus - GCC Countries Business Association - Chr. Christoforou
- 18.Cyprus - Germany Business Association - G. Michaelides
- 19.Cyprus - Greece Business Association - A. Pygasiou
- 20.Cyprus - Hungary Business Association - D. Vakis
- 21.Cyprus - India Business Association - M. Andreou
- 22.Cyprus - Israel Business Association - Chr. Papavassiliou
- 23.Cyprus - Italian Business Association - J. Hadjihannas
- 24.Cyprus - Lebanese Business and Professional Association - A. Hadjirousos
- 25.Cyprus - Libyan Business Association - G. Loizou
- 26.Cyprus - Netherland Business Association - G. Papanastasiou
- 27.Cyprus - Nordic Business Association - D. Severis
- 28.Cyprus - Polish Business Association - L. Papaphilippou
- 29.Cyprus - Qatar Business Association - M. Lanitis
- 30.Cyprus - Romanian Business Association - K. Erotokritou
- 31.Cyprus - Russian Business Association - Ev. Evgeniou
- 32.Cyprus - Serbia Business Association - Kl. Alexandrou
- 33.Cyprus - Spanish Business Association - M. Klitou
- 34.Cyprus - Syrian Business Association - Chr. Veniamin
- 35.Cyprus - UK Business Association - G. Kourris
- 36.Cyprus - Ukraine Business Association - M. Michael
- 37.Cyprus Association of Beauty Saloon Distributors - A. Perikleous
- 38.Cyprus Association of Electrical Items Merchants - M. Hadjiyiannis
- 39.Cyprus Association of Fishing Tackle Traders - P. Panayiotou
- 40.Cyprus Association of Importers of Alcoholic Beverages - V. Petrides
- 41.Cyprus Association of Medical and Scientific Equipment Representatives - P. Christodoulides
- 42.Cyprus Association of Pharmaceutical Companies - Avg. Potamitis
- 43.Cyprus Association of Retail Trade Enterprises - G. Aneliades
- 44.Cyprus Association of Tyre Importers - D. Demades
- 45.Cyprus Booksellers Association - A. Christou
- 46.Cyprus Jewelers Association - F. Neophytou
- 47.Cyprus Plant Protection Association - St. Zannetos
- 48.Cyprus Veterinary Medicine Importers and Distributors Association - Chr. Angastiniotis
- 49.Pancyprian Association of Tax Electronic Systems and Office Machines Traders - Al. Lyllitos
- 50.Timber and Building Materials Importers Association - Ch. Petousis





## Services:

- 1.Association of Big Development Projects – Th. Aristodemou
- 2.Association of Cyprus Banks – M. Clerides
- 3.Association of Continuous Services Shops – A. Theodoulou
- 4.Association of Cyprus Travel Agents – V. Mantovanis
- 5.Association of Higher Education Institutions of Cyprus – S. Adamides
- 6.Association of Portfolio and Mutual Funds Investment Companies – N. Michaelas
- 7.Cyprus Advertisers Association – G. Evripiotis
- 8.Cyprus Advertising & Communication Agencies Association – St. Anastasiades
- 9.Cyprus Association of Beauty Therapists – Mrs V. Ioannidou
- 10.Cyprus Association of Automotive Engineers – R. Raphael
- 11.Cyprus Association of Conference Interpreters – Mrs M. Houvarta
- 12.Cyprus Association of Hotel Managers – P. Kallis
- 13.Cyprus Association of Information Technology Companies – A. Tilliris
- 14.Cyprus Association of Leisure Parks & Attractions – I. Petrou
- 15.Cyprus Association of Private Educational Coaching Centres – G. Gavriel
- 16.Cyprus Association of Professional Tourist Vessel Owners – M. Alexandrou
- 17.Cyprus Association of Research and Innovation Enterprises – Al. Michaelides
- 18.Cyprus Association of Security Companies – Y. Argyrou
- 19.Cyprus Association of Young Entrepreneurs – A. Christofides
- 20.Cyprus Clearing Agents Association - Pant. Christodoulou
- 21.Cyprus Commercial Representatives Association – D.Kalavanas
- 22.Cyprus Cultural and Special Interest Tourism Association – G. Michaelides
- 23.Cyprus Dive Centre Association – A.Varoshiotis
- 24.Cyprus Fashion Designers Association – P. Panteli
- 25.Cyprus Federation of Business and Professional Women – Mrs Al. Galanou
- 26.Cyprus Freight Forwarders and Logistics Association – G. Antoniadis
- 27.Cyprus Financial Services Firms Association – Mrs A. Sofroniou
- 28.Cyprus General Bonded Warehousing Logistics Association – A. Meletiου
- 29.Cyprus Health Services Promotion Board – P. Georgiades
- 30.Cyprus Hotel Association – H. Loizides
- 31.Cyprus Incentives and Meetings Association CIMA – Sp. Spyrou
- 32.Cyprus Institute of Certified Management Consultants – L. Loizou
- 33.Cyprus Land and Property Owners Association – G. Strovolidis
- 34.Cyprus Lifts Suppliers Association – D. Theodosiou
- 35.Cyprus Marine Industry and Commerce Association – H. Kyriakides
- 36.Cyprus Marine Technicians Association – K. Demetriou
- 37.Cyprus Oil & Gas Association – A. Varoshtis
- 38.Cyprus Public Companies Association – St. Leptos
- 39.Cyprus Real Estate Agents Association – M. Kynegirou
- 40.Cyprus SPA Association – G. Davelis
- 41.Cyprus Ship Suppliers Association – St. Parpoutis
- 42.Cyprus Shipping Agents Association – Chr. Papavasiliou
- 43.Cyprus Shipping Chamber – Eug. Adami
- 44.Cyprus Tourist Guides Association – Mrs P. Hadjidemetriou
- 45.Cyprus Vehicle Air-condition & Refrigeration Technician Association – L. Agapiou
- 46.Cyprus Women Association in Tourism – Mrs T. Loizidou
- 47.Institute of Certified & Public Accountant – I. Charilaou
- 48.Institute of Public Relations Cyprus – M. Constantinou
- 49.Insurance Association of Cyprus – F. Zachariades
- 50.International Banks Association – K. Zimarinn
- 51.International Real Estate Federation (Cyprus Chapter) – FIABCI – Kl. Tofarides
- 52.Junior Chamber of Cyprus – A. Christofides
- 53.Limassol Licensed Porters Association – A. Charilaou
- 54.Pancyprian Association of Car Rental Owners – Sp. Spyrou
- 55.Union of Cyprus Ship-owners – G. Mouskas





# Committees, Councils and Organisations in which the CCCI is represented

## Ministry of Commerce, Industry & Tourism

1. Industrial Development Council
2. Competitiveness Council
3. Cyprus Organization for Quality Promotion Council
4. Council of the Cyprus Organization for the Marking of Precious Metal Objects
5. Export Award Selection Committee
6. Technical Committees of the Cyprus Standards and Quality Control Organization for the Preparation of Cyprus Standards for Various Goods
7. Advisory Committee on Consumer Issues
8. Technical Committee for High Technology Issues
9. Council of the Cyprus Certification Organization (CYS)
10. Independent Certification Council
11. Monitoring Committee for the establishment in Cyprus of a Science and Technology Park
12. Monitoring Committee for the Strategic Plan for Tourism
13. Evaluation - Selection Committee for proposals for the European Awards for promotion of Entrepreneurship
14. Representation at European Union Bodies dealing with the setting up of the Common Trade Policy

## Ministry of Interior

1. Permanent Committee for Monitoring the Implementation of the Directive for Construction Products

## Ministry of Labour & Social Insurance

1. Advisory Labour Body
2. Social Security Council
3. National Employment Committee
4. Cyprus Productivity Council
5. Cyprus Human Resource Development Authority Council
6. Central Holiday Fund Council
7. Redundancy Fund Council
8. Pancyprian Safety and Health Council
9. Council for the Reinstatement of the Disabled
10. Apprenticeship Council - District Apprenticeship Committees
11. Advisory Committees of the District Labour Offices - in all towns
12. Co-ordinating Body for Senior Citizens
13. Advisory Body for Issues Relating to the Disabled
14. Committee of the Vacation Subsidisation Scheme
15. Council of the Fund for the Protection of the Rights of Employees in case of liquidity of the employer
16. Committee for the Equality of Sexes
17. District Advisory Committee for Working hours of Shops in Tourist Areas
18. Institutions for Occupational Retirement Provisions
19. National Agency for Demography & Family Policy
20. Committee for the Conditions of Service in Catering Establishments
21. X Ray Protection - Nuclear Safety Council
22. Advisory Committee for the Free Movement of Workers
23. Pancyprian Council of Chemical Substances
24. Council of the Mediterranean Institute of Management





## Industrial Tribunal

### Ministry of Education and Culture

1. Advisory Committee for the Analytical Programmes of Technical Education
2. Advisory Committee on Tertiary Education
3. Inter Departmental Authority for the establishment and operation of Professional Educational Schools
4. Technical & Education Advisory Body

### Ministry of Health

1. Board of General Health Scheme
2. Committee for the Control of Pharmaceutical Prices
3. National Coordinating Committee on Diet
4. Foodstuffs Council

### Ministry of Justice & Public Order

1. National Committee for Women's Rights
2. Radio and Television Advisory Committee
3. Committee of the Guidance Center for Extra-mural and Reinstatement of Detainees

### Ministry of Agriculture, Natural Resources & Environment

1. Pancyprian Environment Council
2. Council for the Control of Agricultural Pesticides
3. Fertiliser Control Council
4. Central Organising Committee of the Agricultural Fair
5. Animal Feedstuffs and Additives Council
6. National Committee for the Implementation of the Montreal Convention
7. Advisory Committee on Management of Packaging Materials
8. Agricultural Products Inspection Committee
9. Monitoring Committee for the Rural Development Plan
10. Committee for the ECO Label Award System
11. Council of the Cyprus Potato Marketing Board
12. Committee for Environment Prize Award to Enterprises
13. Advisory Committee for the Management of Water Resources

### Ministry of Communications & Works

1. Road Traffic Transport Council
2. Limassol Port Council
3. Larnaca Port Council
4. European Space Policy



### Planning Bureau

1. Technical Committee on Agreements for Mutual Promotion and Protection of Investment
2. Monitoring Committee on the RISC Programme
3. Planning Advisory Committee
4. Monitoring Committee of the Programme of Target 2 co-funded from the Structural Funds of the E.U.
5. Monitoring Committee of the Programme of Target 3 co-funded from the Structural Funds of the E.U.
6. Monitoring Committee of the Programme of Fisheries co-funded from the Structural Funds of the E.U.
7. Monitoring Committee of the Community Initiative Equal co-funded by the Structural Funds of the E.U.
8. Monitoring Committee of the Programme Interreg III/A Greece-Cyprus
9. Monitoring Committee of the Operational Programmes 2007-2013 (Sustainable Development and Competitiveness & Employment, Human Capital and Social Cohesion) co-funded by the Structural Funds of the E.U.
10. Monitoring Committee for the Mechanisms of the European Economic region and Norway
11. National Advisory Committee for the Tech-SME Partnering for the promotion of cooperation between the Academia and Enterprises
12. Council of the Foundation for the Management of the Lifelong Learning European Programmes
13. Governance Committee of the study for development of a Smart specialization Strategy in Cyprus.

### Independent Committees

1. Advisory Committee of Regulations for Transfer and Distribution of Energy
2. Advisory Committee for the Regulations of the Energy Market
3. Coordinating Committee for entry into the Single Euro Payment Area (SEPA)
4. Selection Committee of the Cyprus State Scholarships Foundation
5. National Committee for questions of Lifelong construction of Public and Private Projects (Cyprus University)
6. Advisory Committee for the Formulation of a Strategic Plan for Renewable Energy Sources

### Committees in the European Union

1. European Economic and Social Committee
2. European Social Fund
3. Advisory Committee for Safety and Health at the workplace
4. Advisory Committee for Free Movement of Workers
5. Advisory Body of the European Training Foundation
6. Lifelong Learning Committee
7. Working Group for Education and Training of the E.U. Committee for the Social Dialogue



CYPRUS  
CHAMBER OF  
COMMERCE AND  
INDUSTRY