



CYPRUS
CHAMBER OF
COMMERCE AND
INDUSTRY

ANNUAL REPORT

2016-17

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**Overall Editing & Technical
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Ministers, MPs, party representatives, state officials and entrepreneurs attended last year's General Assembly



The President of the Republic, Mr Nikos Anastasiades, with the President and the Secretary General of the CCCI during last year's General Assembly

Contents

06	Message by the President of the CCCI Mr. Phidias Pilides	08	The Executive Committee of the CCCI	09	Members of the Council of the CCCI
10	Members of the Councils of local CCI's	12	Higher Advisory Body of the CCCI	13	General Activity of the CCCI
30	Industry	34	Services	40	Trade
52	International Relations	60	Labour Affairs	69	Education – Training
72	Information	79	Press Office of the CCCI	81	Local CCI's
83	Professional Associations	85	International Organizations of Co-operation	91	Structure of CCCI
92	Structure of Local Chambers	93	Professional Associations and their Presidents	97	Committees, Councils and Organizations in which CCCI is participating

Message by the President of the CCCI



The President of the CCCI, Mr Phidias Piliades

Dear members,

This year's General Assembly coincides with the CCCI's 90th birthday. The Chamber's historical anniversary not only provides an opportunity to pay tribute and express appreciation to those who served the CCCI, but also a point of reference for redefining the work and mission of the Chambers' institution in Cyprus for the years to come, in line with the new circumstances being shaped internationally.

Judging from the result, the CCCI has clearly offered a great deal to our country, its economy and its enterprises over the last 90 years. Through its serious and responsible actions and its consensual approaches, it has critically contributed to Cyprus's economic development, prosperity and progress.

Throughout the country's history, our members have fulfilled their duty to the fullest extent. Through their efforts and sacrifices, they contributed to the post-invasion economic miracle. Through their hard work and inventiveness they dealt with the major challenges faced by the Cypriot economy due to the Customs Union, the accession to the EU and the Eurozone and the introduction of the euro. They dealt with the 2013 economic crisis with vigour and decisiveness. For the above and many other reasons, the CCCI is proud of its members as well as of the Chamber's officers who have served the CCCI through positions of responsibility during Cyprus's difficult times.

As regards last year, which constitutes the focus of our Annual Report, we must point out the important improvements of key economic indicators. The increase of our economy's growth rate to approximately 3% of the GDP, the upgrading by the

credit rating agencies, our exit from the Memorandum and our return to international markets, the increase of foreign investment, the record performance in tourist arrivals and revenue from tourism, the recovery of the real estate sector, the reinforcement of trade, the smooth operation of important services sectors and the remobilisation of enterprises in general undoubtedly prove that our efforts are yielding fruit.

Today, our economy is clearly at a better position, with balanced public finances and a fully active private economy.

We do believe that, if we manage to handle non-performing loans and the extent of unemployment better, our economy will go well beyond the stormy waters of the economic crisis. At the same time, we must accelerate our pace as regards reforms, the promotion of new development projects and investments in new economic activity sectors based on knowledge and innovation.

The CCCI insists that the public sector reform must move forward as quickly as possible, in order to do away with bureaucracy and the public sector's low performance, which constitute burdens affecting both the services offered to citizens and the prompt implementation of investment plans.

Furthermore, the CCCI emphasises that the efforts concerning the privatisation of semi-public organisations should not be abandoned.

We disagree with the Parliament's decision to dissolve the Privatisations Unit and we request that the determined plans proceed at once. The positive results stemming from the privatisation of the port of Limassol, even if not yet experienced to their full extent, demonstrate the important improvements in the port's operation and performance.

In the same light, we request the acceleration of the various quality upgrading projects which have been approved, but are still at the stage of promotion. The founding of a casino, the new marinas and the golf courses must proceed immediately with no further delays, because our economy, and especially our tourism product, are in need of them at this crucial point, where interest from abroad is on the increase.

In line with the above, the CCCI also emphasises the need to promote the following:

- the speeding up of e-governance in the public and private sectors;
- the boosting of our economy's extroversion;
- the increase of the efforts to attract more foreign investors;

ANNUAL REPORT 2016-17

CYPRUS CHAMBER OF COMMERCE & INDUSTRY

- the promotion and completion of energy plans;
- the greater exploitation of the country's potential to produce energy from renewable sources;
- the exploitation of new sectors of economic activity such as private education, healthcare services and shipping; and
- the promotion of plans for the greater exploitation of research, innovation and high technology both in the public and private sector.

Dear members,

The CCCI views our economy's future with optimism. We believe that, after the crisis, we have made significant progress and laid solid foundations for tomorrow. However, we cannot be complacent and rest on our laurels. Today, the economy demonstrates dynamism and mobility, hence we must always be alert. What is more, let's not forget that our economy is also influenced by the international or regional environment. The instability in various parts of the world and the always turbulent situation of our neighbouring region demand our constant vigilance.

At the same time, the CCCI expresses its concern regarding the trade unions' tendency to pose new demands. As we have repeatedly stated, the economy is at the first stage of its recovery and should not be encumbered with new burdens. The quest for new claims by the trade unions should therefore be restrained within limits that are sustainable for the economy. The CCCI states that it will closely observe these developments and intervene accordingly. It also calls on the government, the Parliament and the political parties to deal with these demands in a responsible and serious manner and protect the economy from emerging threats.

We, as the CCCI, are monitoring both local and international developments in depth. We shall continue our significant contribution in the best interest of our country and our economy.

We shall work for reinforcing the economy and strengthening our enterprises' position, in close collaboration with the government, the Parliament and the country's development actors.

Envisioning a better Cyprus and a stronger economy, we shall set the tone for the forthcoming developments.

We do hope that the Cyprus problem, which has once more entered a phase of stagnancy, will be resolved. We trust that the UN, the international community, the EU and other forces involved will be able to exert influence over Turkey, so that it becomes supportive of a sustainable and workable solution.

Dear members,

The forthcoming years are very interesting for everyone. New circumstances are being shaped in the international economy, new developments are under way in the EU area and new challenges are emerging for the Cypriot economy and enterprises. Together we shall successfully go through this new crossroads. Through our joined efforts, we shall continue to bring about development and progress.

We shall march towards the future with the sense of seriousness and responsibility that has guided us until today. We shall build the future through the same, creative approach. We shall maintain our strong voice and position of influence in our enterprises by respecting the principles laid by the CCCI's founders. I invite you to stay on the CCCI's side and continue to reinforce it through your actions and participation, which is the only way to reinforce your own voice.

On this occasion, in view of my departure from the CCCI's presidency, I would like to express my thanks to the CCCI's Executive Committee and Board of Directors for the constructive collaboration we have had throughout the years. I would also like to thank the Boards of Directors of the Local Chambers, the Boards of the Professional and Bilateral Associations, the Secretary General of the CCCI, Mr Marios Tsiakkis, the Honorary Secretary General of the CCCI, Mr Panayiotis Loizides, and the directors, the officers, the personnel and the collaborators of our Chambers for their vital contribution to the Chambers' institution.

Principally, I would like to thank all of you, our members, who stayed on the Chamber's side at these difficult times, supporting our efforts for the reinforcement of enterprises and the return of our economy to growth.

Lastly, I personally wish to say that I will never forget all those difficult, but also constructive years throughout which we progressed hand in hand for the benefit of Cyprus, its economy and its business people, and I assure you that, through my long experience, I will continue to contribute to furthering the progress of this great organisation.

Thank you very much.

Executive Committee of the CCCI

President:

.....Phidias Pilides

Immediate Past President:

.....Manthos Mavrommatis

Vice – Presidents:

.....George Leptos

.....Christodoulos Angastiniotis

.....George Demetriou

.....Dinos Lefkaritis

.....Andreas Matsis

Honorary Presidents:

.....Christodoulos Mavroudis

.....Phanos Epiphaniou

.....Vassilis Rologis

President Nicosia CCI:

.....Stelios Anastasiades

President Limassol CCI:

.....Costas Galatariotis

President Famagusta CCI:

.....George Mayroudis

President Larnaca CCI:

.....Othonas Theodoulou

President Paphos CCI:

.....Andreas Demetriades

Secretary General:

.....Marios Tsiakkis

Honorary Secretary General:

.....Panayiotis I. Loizides



Photo from last year's General Assembly

Members of the Council of the CCCI

President:

..... Phidias Pilides

Immediate Past President:

..... Manthos Mavrommatis

Vice – Presidents:

..... George Leptos
..... Christodoulos Angastiniotis
..... George Demetriou
..... Dinos Lefkaritis
..... Andreas Matsis

Honorary Presidents:

..... Christodoulos Mavroudis
..... Phanos Epiphaniou
..... Vassilis Rologis

Secretary General:

..... Marios Tsiakkis

Honorary Secretary General:

..... Panayiotis I. Loizides

Nicosia Members:

..... Stelios Anastasiades
..... Christis Christoforou
..... Evgenios Evgeniou
..... Marios Lenas
..... Michalis Moushottas
..... Panayiotis Papaphilippou
..... Iacovos Photiades
..... Elena Tanou
..... Costas Zorbas

Limassol Members:

..... Costas Galatariotis
..... Kikoula Kotsapa
..... Heros Miltiadous
..... Yiannis Misirlis
..... Liakos Theodorou
..... Andrerass Tsoulloftas

Famagusta Members:

..... George Mavroudis
..... George Michaelides
..... Kyriacos Sophocleous
..... Tonis Toumazis
..... Kikis Vasiliou

Larnaca Members:

..... Othonas Theodoulou
..... Zenonas Apostolou
..... Costas Demetriou
..... George Skordellis
..... Tasos Christoforou

Paphos Members:

..... Andreas Demetriades
..... Chrysis Chrysanthou
..... Savvas Georgiades
..... Stephanos Stephanou
..... Haris Tsiolis

Ex.Officio Members:

..... Haris Loizides
..... Thomas Kazakos
..... Alexandra Galanou
..... Photos Photiades

Members of the Councils of the Local Chambers

Nicosia Chamber of Commerce and Industry



President:
Stelios Anastasiades

Immediate Past President:
Costas Georgallis

Honorary Presidents:
Michalakis Michaelides
Costas Constantinides
Manthos Mavrommatis

Vice – Presidents:
Iacovos Photiades
Costas Zorbas
Evgenios Evgeniou
Elena Tanou
Christis Christoforou

Honorary Vice President:
Nicos Lakoufis
Andreas Loizides

Honorary Secretary:
Panayiotis Papaphilippou

Honorary Members:
Demosthenis Severis

Secretary / Director:
Socrates Heracleous

Members:
Pambos Agrotis
Yiannos Argyrou
Christakis Charalambous

Iacovos Constantinides
Demos Demosthenous
Marinos Kallis
Akis Kelepeshis
Theodoros Kringos
Marios Lenas
Charis Michael
Dinos Mitsides
Michalis Moushouttas
Nicos Nouris

Ex. Officio Members:
Michalis Sarris
Panos Protopapas

Limassol Chamber of Commerce and Industry



President:
Costas Galatariotis

Immediate Past President:
Philokypros Andreou

Ex. President:
Dimitris Solomonides

Honorary Presidents:
Takis Nemitsas
Stathis Papadakis
Michalis Polydorides
Evros Stylianides
Yiannakis Christodoulou

Vice – Presidents:
Andreas Tsouloufas
Charalambos Pattichis
Elias Neocleous

Spyros Spyrou
Liakos theodorou

Honorary Secretary:
Kikoula Kotsapa

Secretary / Director:
Christos Anastasiades

Members:
Theodotos Anthousis
Akis Charalambous
Elicos Charalambous
Andreas Laos
Michalis Loizides
Pericles Markaris
Demosthenis Mavrellis

Heros Miltiadous
Yiannis Misirlis
Chrysis Petousis
Mary Protopapa
Athos Tylliris

Ex. Officio Members:
Vassos Demetriades
Costas Charitou
Panicos Hadjichambis
Tasos Kounides
Lefteris Kouzapas
Xanthos Nemitsas
Milatos Papadopoulos
Michael Virardi

Famagusta Chamber of Commerce and Industry



President:
George Mavroudis

Immediate Past President:
George Michaelides

Ex-Presidents:
Christodoulos Mavroudis
Phanos Epiphaniou
Demetris Ioannou
Takis Kyriakides
Photis PapaThomas
Andreas Matsis
Loizos Shiakallis

Vice – Presidents:
Kyriacos Sophocleous
Tonis Toumazis
Kikis Vasiliou

Christakis Papavasiliou
Chrystalleni Sozou

Honorary Secretary:
Paraskevas Kyriakides

Secretary / Director:
Iacovos Hadjivarnavas

Members:
Christos Angelides
Andri Epiphaniou
Andreas Hadjiitheodosiou
Photis Ioannides
Stavros Karamontanis
Rania Kyriakidou

George Lordos
Christodoulos Neophytou
Michalis Timinis
Michalis Vasiliou

Ex. Officio Member:
Stavros Mavromatis

Larnaca Chamber of Commerce and Industry



President:
Othonas Theodoulou

Immediate Past President:
Dinos Lefkaritis

Ex. President:
Andreas Louroutziatis

Honorary Presidents:
Andreas Mouskos
Iacovos Demetriou
Kriton Georghiades
Nicos Cosmas
Kikis Kyriakides

Vice – Presidents:
George Skordellis
Zenonas Apostolou

Costas Demetriou
Angelos Mylonas
Tasos Christoforou

Honorary Secretary:
Kikis Georgiou

Secretary / Director:
George Psaras

Members:
Nakis Antoniou
Foulis Demetriou
Vera Dianellou
Sophoclis Filiastides
George Hasapis

Andreas Lefkaritis
Loucas Louca
Evangelos Mouskos
Riagos Serafim
Stavros Stavrou
Stephanos Stephnai
Costakis Tofarides
Floros Voniatis

Honorary Members:
George Papanastasiou
Maria Myliotou

Ex. Officio Member:
Maria Matheou

Paphos Chamber of Commerce and Industry



President:
Andreas Demetriades

Immediate Past President:
George Leptos

Ex. Presidents:
Themis Philippides
Kyriacos Droushiotis

Honorary Presidents:
Theodoros Aristodemou
Panayiotis Charalambous

Vice – Presidents:
Charalambos Papantoniou
Elias Myrianthous
Yiannakis Aristodemou

George Mais
Zenon Zenonos

Honorary Secretary:
Nikos Konikkos

Secretary / Director:
Kendeas Zambirinis

Members:
Demetris Ashiotis
Chrysis Chrysanthou
Constantinos Constantinou
Pantelis Evangelou
Savvas Georgiades

Andreas Ioannou
Kypros Kouroushis
Loukis Louca
Michalis Michael
Stephanos Stephanou
Haris Tsiolis
Stathis Tsintides
Christos Tziolis

Ex. Officio Members:
Spyros Makridakis
Maria Kouroupi

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)

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



GENERAL ACTIVITY



ECONOMIC DEVELOPMENTS

During the period gone by, the Cypriot economy continued to recover after the exit of the country from the Memorandum of Understanding in March 2016, which was entered into with the Troika in 2013. 2016 ended with a positive figure, since the growth rate rose up to 3% and unemployment decreased to 13.3%, while inflation amounted to -1.2%. Public finances were balanced, while the public debt corresponded to 107% of the GDP. The estimations for 2017 are equally encouraging. It is expected that the growth rate will fluctuate again at around 3%, unemployment will further decrease to 12%, inflation will rise up to 1.2%, public finances will remain balanced, while the public debt is expected to be further reduced to 104% of the GDP.

The CCCI supports that the aforementioned developments concern economic data, hence we must not in any case feel reassured, since, on the one hand, development principally originates from the traditional sectors of the economy, mainly tourism and professional services, and, on the other hand, several problems are still tantalising the economy, with non-performing loans predominating.

In addition to the issue of non-performing loans, the CCCI kept pointing out that a series of other problems should be dealt with, such as high unemployment, and especially youth unemployment (despite its relative reduction as of 2015), and the limited financing of the market by the banks. It is necessary to place more emphasis on increasing the economy's competitiveness, while maintaining the constrained fiscal policy and avoiding to allocate public resources to non-productive purposes such as the public sector wage grid and the reduced performance of the state apparatus. Other serious issues include the need for a definitive regulation of the Automatic Wage Indexation in the private sector, in a way that its imperfections and its side effects on the economy are effectively dealt with, the need for speeding up the slow pace of the private sector reform and privatisations, the acceleration of the local government reform and the passing of the necessary laws for the improvement of the business environment, which is still subject to bureaucratic approaches.

The CCCI kept pointing out the imperative need to immediately take the right decisions for the materialisation of the above, in order to avoid having to face the problems of the past in the future and to reinforce the development of the economy and the attrac-

tion of new investments. For this purpose, the CCCI highlights the importance of investing more systematically and effectively in the sectors of research, innovation and creation of new enterprises based on our human resources' knowledge and expertise, utilising more effectively and productively the country's knowledge reserve. We must invest on new knowledge fields to enrich and recompose the country's current economic model, which is exclusively based on familiar and traditional sectors.

The CCCI submitted its views to the executive and legislature, thus contributing to the implementation of measures towards the right direction.

It should be specifically mentioned that the CCCI has also expressed its aforementioned views to the representatives of the Troika visiting our country in the context of Cyprus's surveillance programme, which largely coincide with the views and admonitions of both the European Commission and the International Monetary Fund as regards the course of our country's economy.

The CCCI warmly welcomed Cyprus's second successful exit to the markets as an important development for our economy on several counts, primarily as regards the reinstatement of its credibility against foreign markets, which is necessary in the context of our effort to bring our economy back to a stable track of growth and to attract foreign investments, which are much needed in our country. The CCCI was also satisfied with the upgrading of our country's economy by the international credit rating agencies during the period under review, since it directly contributes to increasing the confidence of both foreign investors and creditors.

The CCCI's Finance and Economics Committee significantly contributes towards formulating the CCCI's positions on economy issues. The Committee is composed of representatives of the Councils of all Local Chambers. During the period under review, the principal issue dealt with by the Committee was the tax on real estate, and especially the imposition of VAT on construction land, with which the Committee and the CCCI disagree.

REFORMS AND SIMPLIFICATION/IMPROVEMENT OF THE REGULATORY FRAMEWORK

Apart from the adoption of the law for the establishment of a State Secretariat for Shipping and the reform bill concerning

public servant mobility, unfortunately no other development has taken place regarding the public sector reform, since it has not yet been possible for the Parliament to conduct a vote on the relevant bills drafted by the Administrative Reform Unit

The issues of promotions, the evaluation and the improvement of the management of the public sector's staff, the long-term sustainability of the public sector wage grid and the improvement and reorganisation of the public sector's structures have come to a standstill, thus giving rise to adverse effects on the public sector's effectiveness and the country's economy, contrary to the positions/views and admonitions of both the European Commission and the International Monetary Fund.

For the CCCI, the reform of the public sector is key to the modernisation of the operation of the state apparatus aiming at increasing its efficiency and effectiveness, in order to combat the system's distortions and weaknesses, many of which date back to 1960, thus posing obstacles to public servants themselves in performing their duties.

This is why the CCCI submitted a request to the Parliament, urging it to proceed forthwith with the adoption of the laws on the public sector reform, which has been repeatedly postponed, on the ground that it was necessary to establish the State Secretariats of Development and Tourism.

The CCCI keeps calling upon the parties to ponder the necessity of this reform, and, free from any political expediencies, proceed with the immediate adoption of the relevant laws, thus guaranteeing the development prospects of the Cypriot economy and the creation of circumstances mitigating the grave problem of unemployment.

The CCCI points out that it is time that we put our finger on the issue and dare to implement solutions to perennial problems that tantalise the society and jeopardise the sustainability of public finance, having a negative effect on enterprises, the citizens and the country's economy.

The ongoing postponement of the adoption of the relevant laws undermines the sacrifices made by our whole society. The absence of the appropriate mechanisms for the controlled increase of the operation cost of the state apparatus and the channelling of a part of the state's surpluses towards productive expenditure deprives it of the ability to function as a pillar of development, restricts its ability to support vulnerable population groups and

creates the conditions for the imposition of taxation that inhibits any prospect of development.

As regards the development reform, which also includes the improvement of the regulatory framework, very few actions were taken during the period under review that have had an essential and practical impact. Except for a small number of procedure simplifications that were implemented in some fields and the "Ariadni" internet portal, nothing else is noteworthy.

The CCCI kept pointing out to all directions the need for making essential progress in this aspect, which would immensely benefit enterprises, the society, the attraction of foreign investments and the economy in general.

PROGRAMMING PERIOD OF THE STRUCTURAL FUNDS AND THE COHESION FUND OF THE E.U. FOR 2014 - 2020

During the period under review, the CCCI continued to actively participate in the Monitoring Committees that were set up for the 2014-2020 programming period, specifically in the Monitoring Committee for the "Sustainable Development and Competitiveness 2014-2020" and the "Employment, Human Resources and Social Cohesion 2014-2020" Operational Programmes, the Monitoring Committee for the Greece-Cyprus Interreg V-A 2014-2020 Cooperation Programme and the Monitoring Committee for the European Economic Area and Norway Financial Mechanism.

During the said period, the CCCI also participated in the written procedure for the approval of the selection criteria and the evaluation criteria of the state aid for the "Sustainable Development and Competitiveness 2014-2020" Operational Programme, in the deliberations for the evaluation plan of the Greece-Cyprus Interreg V-A 2014-2020 Cooperation Programme and in shaping the strategic agenda for research and innovation in the context of the BLUEMED Initiative, while it submitted its views on the Draft National Reform Programme for Strategic Europe 2020.

The CCCI highlighted the lack of any significant progress and the delays in taking the necessary measures in several sectors. Specific mention was made to the public sector and local government reform, the speed of the administration of justice, non-performing loans, the multitude of bureaucratic procedures, privatisations and the General Healthcare Plan, recognising at the

same time that, in many cases, the lack of progress is principally owed to the legislature rather than to the executive. And yet, the essence lies in that neither do we achieve our objectives or comply with the recommendations of the EU. In particular, as regards out national quantitative objectives in relation to Strategic Europe 2020, it was observed that, also in this case, the situation has not substantially changed, resulting in that there are serious concerns as to whether the objectives regarding employment, poverty and social exclusion, research and development and, to a lesser extent, renewable sources of energy will be achieved by 2020. The CCCI noted that the majority of the aforementioned objectives can be achieved only through constant economic growth and the reinforcement of business activity.

The CCCI pointed out that this has also been discussed during the meetings with the Troika and that it is a matter of particular concern for the institutions, which are pressing for the implementation of the necessary measures and the introduction of the required reforms.

Regarding “Strategic Europe 2020”, the CCCI also participated in a meeting with representatives of the European Commission, where particular attention was paid to the development measures and the research and innovation activities.

At the same time, the CCCI contributed to the materialisation of a two-day general, informative seminar organised by the Directorate General for European Programmes, Coordination and Development, aiming at providing training to enterprises in drafting proposals concerning European Competitive Programmes.

During the period under review, the CCCI also participated in Information Days regarding the approved projects of the 1st call of the Interreg Meg Programme, since it participates in an approved project, the Interreg Europe Programme and the ENI MED Cross-border Cooperation Programme.

Finally, it should be mentioned that the evaluation of the proposals submitted upon the 1st Call of the Greece-Cyprus Interreg V-A 2014-2020 Cooperation Programme was completed. Despite the fact that a limited number of proposals was approved, the CCCI managed to obtain participation in two approved proposals, as head partner in one of them and as a partner in the other.

EUROPEAN UNION-RELATED INFORMATION AND ACTIVITIES

The CCCI continued to perform activities concerning and affecting the business sector, with its primary objective being the provision of effective services to its members and the promotion of the Chamber’s relevant positions and views as regards a wide spectrum of issues both in Cyprus and in Brussels.

It is not an exaggeration to suggest that the CCCI has become the most important organisation providing information on EU matters in our country. A more detailed account of these services is provided in the chapter of the Annual Report entitled “Information”.

The relevant information is provided to enterprises through various EU services operating at the Chamber, and especially the European Business Support Centre of Cyprus, which is a member of the Enterprise Europe Network.

Information is provided to the members on a daily basis through the CCCI’s relevant electronic system, but also through direct contact/communication with the members. At the same time, several specialised presentations and seminars on subjects arising from the *acquis communautaire* and the developments concerning the EU are organised by both the CCCI and the European Business Support Centre of Cyprus. A more detailed account of the CCCI’s training activities is provided in the chapter of the Annual Report entitled “Education and Training”, while the activities of the Centre are described in the chapter of the Annual Report entitled “Information”.

The CCCI also actively promotes the positions of Cyprus’s business people on a wide range of issues through its participation in various committees and bodies of the European Union dealing with business and socioeconomic affairs such as the Economic and Social Committee, the Social Dialogue Committee, the Business Chamber of the Enterprise Policy Group, the Committee for Lifelong Learning etc. During the period under review, the CCCI kept participating in the aforementioned committees and bodies and promoting its positions and views.

The CCCI expresses its views and positions at the domestic level through its participation in committees concerning EU affairs such as the Monitoring Committee for the 2014-2020 Operation Programmes, the Monitoring Committee for the European Economic Area and Norway Financial Mechanism, the Monitor-

ing Committee for the Greece-Cyprus Interreg V-A 2014-2020 Cooperation Programme, the National Payments Committee, the Special Advisory Committee for the European Small Business Act etc. The CCCI's active participation and promotion of the views and positions of the business community continued during the period under review.

The CCCI also continued to actively participate in various deliberations, surveys, interviews, debates and meetings concerning EU policies and affairs, where it promoted the views and positions of the business people on numerous issues arising from the *acquis communautaire*, either directly before the European Commission or through the European Business Organisations of which the Chamber is a member.

Specifically, the CCCI participated, *inter alia*, in deliberations on the mutual product recognition, the single digital gateway, the Single Market Information Tool, tobacco products, the introduction of a special scheme for small enterprises according to the VAT Directive and the assessment of key competences. It also participated in a number of surveys concerning the Evaluation of the European Alliance for Apprenticeships, the Evaluation of the Institution of Mutual Recognition, the Skills Profile Tool for Third Country Nationals, Innovation Centres and the Evaluation of the Erasmus Programme. It further took part in various meetings with European Commission officials visiting Cyprus, such as the meetings with the Troika, the meeting concerning the policies on small and medium-sized enterprises and the meeting concerning the Report on Cyprus in the context of the European Semester. Moreover, it was interviewed by European Commission officials on issues concerning the Single Market and the Free Movement of Goods. Finally, it took part in a debate on the Future of Europe, which took place at the offices of the EU Delegation in Cyprus with the participation of our representatives at the European Economic and Social Committee, as well as in a round table meeting with the European Commission Vice-President for the Digital Single Market, Mr Ansip.

The various issues on which the CCCI submitted its positions and views to the European organisations in which it participates are reported in detail in the Annual Report's section entitled "International Organisations of Cooperation".



Closing ceremony of the Bicomunal Internships Programme for Young Unemployed Persons at the Home for Cooperation

RELATIONS WITH THE TURKISH CYPRIOT CHAMBER

The contacts and the close collaboration between the CCCI and the Turkish Cypriot Chamber of Commerce continued during the period under review. Their primary objective was the promotion of business collaboration between the two communities as well as the active support of the efforts towards achieving a sustainable and workable solution of the Cyprus problem.

The collaboration largely focused on the project entitled "Leading by Example: Engagement of TC and GC Business Leaders in Dialogue, Cooperation and Reconciliation", which is co-funded by the EU's "Civil Society in Action IV" Programme and is materialised by the Turkish Cypriot Chamber of Commerce as the head partner and the CCCI as a partner. The project was successfully completed in mid-2017. Perhaps the most important activity that took place was the announcement and the completion of the 2nd Bicomunal Apprenticeship Programme for Young Unemployed Professionals in the Greek Cypriot and the Turkish Cypriot Communities, where 16 young graduates from both communities completed their apprenticeships in organisations and companies of the other community. The programme's general objective was to offer Cypriot university graduates aged between 20-35 the opportunity to obtain work experience in the other community, thus gaining valuable skills for their future professional career, as well as an in-depth understanding of the working and cultural environment of the corresponding community. During the programme, a total of 40 young professionals from both communities had the opportunity to work in corresponding enterprises.

Other activities included the production of five bicomunal short films bearing the general title "Cyprus": Our Island, Our Future", which deal with the issues of unemployment, joint projects, tourism, shipping and start-ups. In the context of this project, meetings with both communities' political parties were held, aiming at presenting the project, the economic benefits of a workable and sustainable resolution of the Cyprus problem and the prospects for collaboration. Furthermore, among this period's activities were events held in universities concerning the prospects for entrepreneurship that would arise from the resolution of the Cyprus problem, the showing of the film "What if" followed by a discussion, the showing of a film about the common heritage of Cyprus's two communities, meetings between the two communities' women entrepreneurs and between halloumi producers, an event concerning start-ups and the publication of newsletters.

At the same time, the two Chambers continued to collaborate and deal with the Regulation governing trade through the Green Line. The CCCI also kept providing relevant information to all interested persons, issuing accompanying documents for Greek Cypriot products being traded through the Green Line and keeping the relevant statistical data. As every year, a meeting with EU officials was held in relation to the progress report on the implementation of the Regulation.

Representatives of the CCCI also participated in meetings with European Commission representatives, who visited Cyprus in order to examine the situation and assist the Turkish Cypriot community in implementing the *acquis communautaire* on matters such as taxation, customs, market accreditation and supervision and trade and agricultural policy.

What is more, mention should be made to the joint meeting of the two Chambers in Brussels, held under the auspices of Eurochambers, concerning the implementation of the *acquis communautaire* by the Turkish Cypriot community and the ways in which the CCCI could offer its support.

During the period under review, meetings were also held between delegations of the Boards of the two Chambers and the Presidents and officials of both Chambers jointly participated in events such as Business for Peace in Dubai, the Economists's 12th Cyprus Summit, the event on Cyprus and the Single European Market organised by Europe Direct, the event in favour of the resolution of the Cyprus problem and the reunification of the island organised by various organisations in Cyprus, the

open debate of the Bicomunal Peace Initiative United Cyprus concerning the Cyprus problem and the prospects for its resolution and the event/debate organised by the European Bank for Reconstruction and Development in Cyprus (in the context of its conference, which took place in Cyprus) concerning the support of the reconciliation process by the civil society, where the CCCI's representative elaborated on the Chamber's role.

Moreover, the representatives of the Chambers gave interviews to both domestic and foreign mass media, highlighting the economic benefits that would occur from a sustainable and workable resolution of the Cyprus problem.

A bicomunal contest was also held under the auspices of both Chambers and the Embassy of Finland, giving bicomunal start-ups the opportunity to participate in the internationally acclaimed event for start-ups (SLUSH) in Helsinki. In addition, the preparations for holding the contest in 2017 for the third consecutive year on a more systematic and organised basis began, which include the practical assistance and training of all interested persons. The Presidents of the two Chambers participated in and addressed the launch event, where the upgraded contest for 2017 was announced.

We should also mention that, during the period under review, the CCCI and the Turkish Cypriot Chamber of Commerce published two joint statements. The first concerned the support of legal trade through the Green Line as a tool of strengthening cooperation in the island, while the second was a wish for the success of the negotiations taking place in Switzerland for the resolution of the Cyprus problem.

During the period under review, both the CCCI and the Turkish Cypriot Chamber continued to participate in the Cyprus Dialogue Forum, whose purpose is to support the efforts for Cyprus's reunification and the smooth transition to the new environment that will emerge. They especially contributed to the working groups dealing with work-related and economic issues.

Finally, the CCCI's representatives kept participating in the Technical Committee on Economic and Commercial Affairs, which holds its meetings under the auspices of the United Nations' Good Offices Mission.

LIBERALISATIONS/CONVERSIONS INTO EQUITY/ PRIVATISATIONS

The CCCI has always supported that liberalisations/privatisations will generate purely positive effects for enterprises, the society and the economy in general, while they will allow the state to focus on its management, supervisory and social role.

Therefore, the CCCI continued to intensively promote towards all directions its position regarding the speeding up of the procedures concerning the privatisations that have been decided by the government in relation to important sectors of the economy. The need to speed up these procedures is imperatively pointed out in the European Commission and the International Monetary Fund reports concerning Cyprus.

During the period under review, we saw the denationalisation of the commercial activities of the Limassol port. Despite the many and serious problems that affected the smooth operation of the port over a long period of time, the manner and effectiveness of the port's operation was finally significantly improved. The CCCI expressed its serious discontent over the situation that was created during the first weeks of the undertaking of the port by its new managers, while it made considerable efforts for normalising the situation, which was largely achieved. This issue is discussed in more detail in a different chapter of the Annual Report.

Except for the aforementioned development, there have been no other developments on the issue of privatisations/denationalisations. On the contrary, the House of Representatives, after eliminating the budget lines concerning privatisations last December, subsequently proceeded with the abolishment of the Privatisation Unit.

The CCCI expressed its great disappointment at these developments. It is the CCCI's position that the issue of denationalisations is one of primary importance, since the current circumstances of the manner of operation and the role of semi-public organisations are completely different from those that prevailed at the time of their establishment. The effects on the development of healthy competition are adverse, while their profitability is also being called into question, since they operate in circumstances of monopoly, without any point of comparison. As a result, these organisations' charges have a negative impact on the enterprises' effort to minimise their operating costs and reinforce their competitiveness, but also on the well-meant interests of both con-

sumers and enterprises.

Characteristically, as regards CYTA, Cyprus is the only remaining country in the EU and, perhaps worldwide, that has a state-owned telecommunication services provider, while the EAC is the only state-owned electricity supplier to which no operational and economic separation is applied, resulting in that there is no full transparency as regards the real electricity production and supply costs, thus limiting the possibility of developing fair competition.

At the same time, the CCCI kept highlighting the need of 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. This would provide the much needed flexibility and effectiveness in carrying out these projects, while it would release huge funds from the government's budgets, and would bring about the transfer of know-how and experiences from the private to the public sector.

Despite the aforementioned negative developments, the CCCI is convinced that denationalisations will have positive effects on the economy and the wider society, and for this reason it will keep pushing towards all directions for changing course and bringing back this issue to the right track.

ADMINISTRATION OF JUSTICE

During the period under review, the CCCI continued to approach both the executive and the legislature in relation to the great delays observed in the administration of justice, which generate too many problems for enterprises and pose obstacles to the efforts to attract foreign investments. The CCCI firmly believes that this long-standing problem should be resolved, since this would largely benefit both the viability of Cypriot enterprises and the attraction of foreign ones.

The CCCI kept pushing to all directions for the establishment of specialised courts such as Commercial Courts, the establishment of Small Claims Courts according to the British model and the promotion and utilisation by enterprises of alternative dispute resolution methods such as arbitration and mediation, in relation to which the CCCI is intensively active through the operation of relevant services. The CCCI's relevant suggestions aim at decongesting both the Supreme Court and the Cypriot judicial system

in general and achieving the swift administration of justice.

As with the founding of the Administrative Court during the previous period, the CCCI welcomed this period's announcement concerning the establishment of a Commercial Court, which will have jurisdiction over cases that will be determined as commercial and whose claims exceed a certain amount. Commercial cases include, inter alia, the claims arising from contracts or disputes between enterprises, the purchase or sale of goods, oil and natural gas exploitation, the purchase or exchange of shares, intellectual property, insurance cases etc., corresponding to 11 case categories. According to the announcement, the Commercial Court will have its own structure and will operate separately from the District Courts. It will follow a fast track procedure, which will be completed within 18 months at first instance, with similar litigation time at second instance, that is to say before the Appeals Court.

The CCCI will examine in detail the relevant bill drafted by the Ministry of Justice and will submit specific suggestions, aiming at rendering the operation of the Commercial Courts useful for the effective resolution of the problem.

The CCCI also welcomed the recruitment of new judges and the announcement of further recruitments to staff the Commercial Courts. However, it keeps pinpointing the need for additional recruitments, the training of judges, the technological upgrading of the courts and the improvement of their manner of operation. The CCCI constantly stresses out that the above reforms and the promotion of alternative methods of dispute resolution are extremely necessary for achieving a more effective and efficient operation of the courts, which would bring about a swifter administration of justice.

GENERAL HEALTHCARE PLAN (GHP)

The CCCI actively participated in the discussions held in the Parliamentary Committee for Health and in meetings with the Minister of Health and all the stakeholders regarding the implementation of the GHP in Cyprus.

During the period under review, the Parliamentary Committee for Health examined the bills concerning the autonomisation of public hospitals and the implementation of the GHP, in relation to which the CCCI submitted a detailed memorandum aiming at the



Meeting of the CCCI with the Minister of Health, Mr Pamborides, concerning the introduction of the GHP in Cyprus

workable and viable implementation of the GHP.

At the same time, the CCCI agreed to the signing of the Declaration of Principles on the determination of the contributions to the GHP, on the condition that, before implementing the GHP, the administrative and financial autonomisation of public hospitals must be practically completed.

The CCCI keeps supporting that the Organisation must be governed by the principles of private instead of public law, without this alienating the ownership of public hospitals from the state.

The CCCI also maintains its position that the launching of the GHP as a single insurance system must in no case exclude the possibility of its evolution into a multiple insurance system with the participation of private insurance companies on the same terms and conditions that will govern the Health Insurance Organisation.

According to the approved Law, contributions to the GHP will be divided into two stages. As of March 2019, three months before the implementation of outpatient treatment (June 2019), the following contributions have been determined:

- 1.70% for employees
- 1.85% for employers
- 1.65% for the state
- 2.55% for self-employed persons
- 1.70% for pensioners and rentiers

In March 2020, three months before the GHP is fully implemented (outpatient and hospital treatment), the following contributions will be applicable:

- 2.65% for employees
- 2.90% for employers
- 4.70% for the state
- 4.00% for self-employed persons
- 2.65% for pensioners and rentiers

It is the CCCI's position that the extent and cost of the GHP render its implementation on the right basis from the very beginning necessary. The real autonomisation of public hospitals remains a fundamental precondition for the CCCI's consent to the initiation of the payment of contributions in March 2019. For this reason, upon the approval of the Law on the autonomisation of public hospitals, the CCCI addressed a letter to the Minister of Health with the following comments:

- The procedures for the establishment of the legal entity named "State Health Services Organisation", which will be responsible for operating, managing, controlling, supervising and developing public hospitals for the purpose of participating in the GHP, must be completed immediately.
- In the 3 months following the adoption of the laws, the Council of Ministers should appoint the first Board of Directors of the Organisation, which will promptly take all necessary actions for the completion of the public hospitals' autonomisation process. The CCCI's position is that a person specialising in hospital administration and a person coming from the field of private sector health professionals should necessarily be appointed to the Board of Directors.
- The Organisation's Executive Director should not be linked in any way to the Public Service and should be academically trained and experienced in hospital administration, given that his/her role will be absolutely decisive for the success of this venture.
- Before the launching of the GHP, it is necessary to lay down and publicise concrete timetables concerning the achievement of certain objectives/deliverables (e.g. one semester) on the basis of Key Performance Indicators (KPIs) in each area of

activity of state hospitals, thus generating a commitment to conform and the opportunity to supervise the materialisation of the determined objectives. The timetables must guarantee that, no later than June 2019, all state hospitals will be in a position to offer the planned services according to their staff at that given moment, shortening waiting lists and minimising patients' distress, contrary to the current situation, which, if not reversed, would mean the failure of the whole reform.

- In order to ensure the provision of high quality health services and fair competition conditions, the CCCI suggests that the hospitals that will opt for collaboration with the Health Insurance Organisation (public and private) must adopt international standards related to their area of activity and receive certifications from recognised and accredited organisations specialising in the respective area. To this end, the CCCI suggests that the state should provide an incentive to all hospitals by announcing an aid scheme for part of the cost of compliance with these standards.
- At the same time, the Organisation must finalise the pricing of the health services on the basis of best international practices (agreed medical protocols, if applicable) by March 2019, in order for the real cost of the provision of the services and its effect on the Organisation's budget to become known.

The CCCI will continue to closely observe the developments concerning the autonomisation of public hospitals within the given deadlines, since this constitutes a fundamental precondition for the CCCI's consent to the initiation of the payment of contributions in March 2019.

PORT INDUSTRY

Considering the negative consequences on the enterprises' competitiveness due to high port fees, the CCCI took intensive actions and through its well-defined strategy achieved the reduction of several fees at the port of Limassol.

As a result of the CCCI's dynamic approach, Eurogate's positive approach and collaboration and the support of the Ministry of Transport, it was decided that no further fees would be charged to the trade and industry people for the storage of filled containers (ISPS) at the port of Limassol during the period from 29 January 2017 (undertaking of work by Eurogate) to 13 July 2017



Through its intensive actions and its well-defined strategy, the CCCI achieved the reduction of several fees at the port of Limassol

inclusive.

According to the new arrangement, the said port fee was applied retrospectively from 14 July 2017, amounting to €4 and €6 for filled containers of 20 and 40 ft correspondingly, as compared to the previous fee, which amounted to €9 for all filled containers.

Furthermore, through the CCCI's intense efforts, the handling cost of empty containers was reduced to €40.00 for 20 ft containers and €55.- for 40 ft containers, as compared to €80.00, which was the initial fee for all containers.

It is important to mention that due to the CCCI's intensive, methodical, well-founded and dynamic actions, other reductions of important port fees were made, and also port concessions concerning the port of Limassol were granted. Below are some of the CCCI's most important achievements:

- The fee for loading and unloading containers filled with low cost commodities (e.g. bentonite, umber, recycled paper products, nylon, plastics etc.) was reduced from €277.5 and €185.00 per container of 40 and 20 ft correspondingly, to €180.00 and €120.00.
- Extension of the free time period regarding storage rights by one day.
- Reduction of the fees for the retention and storage of dangerous cargoes.
- Establishment of a cashier's office at a convenient spot inside

the port area to serve the needs of the users of the Limassol port.

In light of the above, the CCCI once more demonstrated in practice that it stands by the trade and industry people, aiming at the swift and effective resolution of their problems as they occur.

The CCCI continues its intense efforts towards reducing additional port fees and obtaining more port concessions for the trade and industry people.

Besides, the CCCI constantly observes the progress of the works at the ports of Limassol and Larnaca and, based on the data it has collected so far, it has drafted a well-founded and comprehensive memorandum setting out the ports' pending issues of functionality and fees.

The aforementioned memorandum of the CCCI concerns the three administrators of the Limassol port, the Cyprus Ports Authority and the Ministry of Transport.

The Chamber's document has been submitted to the aforementioned bodies and the Ministry, for the purpose of holding meetings between all the involved parties and the CCCI upon its examination, in order to find the best possible solution to these problems.

CYPRIOT SHIPPING

In 2016, the Cypriot Shipping Register had the 10th largest commercial fleet in the world and the 3rd in the European Union. Moreover, Cyprus is considered to be the biggest centre offering ship management services in the European Union, and one of the biggest in the world. The Cypriot Ship Register is also regarded as one of the highest-quality and safest ship registers internationally.

The contribution of the shipping sector to the Cypriot economy is estimated at 7% of the Gross Domestic Product, and is therefore considered to be one of the most important pillars of the Cypriot economy.

The shipping operational and tax infrastructure in Cyprus and the Cypriot flag maintain their high competitiveness and this is proven by the fact that Cypriot flag users remain loyal, supporting at the same time the efforts to further reinforce the shipping

sector in Cyprus, so that it continues to unobstructedly contribute to the Cypriot economy.

We are convinced that the valuable and essential contribution of foreign and local direct investments in the Cypriot economy originating from the shipping sector will be further boosted through the establishment of the State Secretariat for Shipping in March 2018, in relation to which the House of Representatives has recently approved a relevant Law. This unanimous support is expected to operate as a leverage for attracting more ship owners and shipping companies of high quality in Cyprus, which would have a chain positive reaction on further reducing unemployment and reinforcing other sectors of the economy providing services to the shipping industry.

Moreover, at the same time with the aforementioned positive development, it is necessary to invest in shipping education, also in view of the expected development of the hydrocarbon production sector. In addition, the resolution of the Cyprus problem will have a manifestly positive and directly decisive impact on Turkey's removal of the embargo on Cypriot ships.

LOCAL GOVERNMENT REFORM

The CCCI firmly supports the local government reform through the clustering of Municipalities, since, if implemented within the correct framework, it would result in saving funds for the Municipalities and the Community Authorities and would also contribute to the improvement of the services offered to the municipalities' citizens.

The CCCI considers that the promotion of this issue is absolutely necessary, in order to ensure the effective operation, efficiency and sustainability of the Municipalities and the Community Authorities, which are largely facing serious economic issues.

POLICY STATEMENT FOR THE DEVELOPMENT OF THE ENTREPRENEURIAL ECOSYSTEM IN CYPRUS

In addition to its active participation in the drafting of the Policy Statement on the development of the entrepreneurial ecosystem, the CCCI participates in the Coordinating and Monitoring Committee for the Policy Statement. The role of the Committee is, among other things, to monitor and evaluate the progress of the



The contribution of shipping to Cyprus's economy is estimated at 7% of GDP

materialisation of the Action Plan that was designed through the Policy Statement, to consult with the Ministries and organisations involved and to submit suggestions for the new measures aiming at reinforcing the entrepreneurial ecosystem. It is the CCCI's objective to focus on restarting development, and that is why it is necessary to closely monitor the actions undertaken by the state, so that there is no deviation from the Policy Statement's goal.

After the Policy Statement, entrepreneurship has been recognised as one of the basic pillars of the country's development and prosperity, which are two necessary elements for the resolution of the issue of high unemployment levels. The establishment of more competitive enterprises and the development of business activity that is based on knowledge, upgraded technology and innovation will boost our country's competitiveness in general, as well as the resistance of Cypriot economy to international developments, creating thus new job opportunities of a high added value.

COLLABORATION WITH THE PARLIAMENT

The Parliament is the primary legislative institution of the Republic of Cyprus. Through adopting laws and exercising its power of scrutiny, it plays a significant role in drawing and forming economic and trade policy at any given moment, since all proposed laws are submitted to the Parliament in the form of bills in order to be passed as laws. In order to perform its parliamentary work in the optimum manner, Parliamentary Committees are established, which deal with the areas of their specialisation.

The CCCI regularly participates in the meetings of Parliamentary Committees, for the purpose of accurately informing the body of the views of the commercial-industrial community, in order for the decisions adopted by the Parliament to contribute to the country's economic growth and to avoid placing unnecessary burdens on the private sector, enterprises and investments in general. The responsible and informed participation of the CCCI's officers in the meetings of the Parliamentary Committees has rendered the CCCI, for years now, one of the most reliable collaborators of the Parliament.

During the period under review, the CCCI submitted numerous views and recommendations regarding amendments to the proposed laws that directly or indirectly affect the business community and briefed the Parliament on specific problems faced by its members. In addition to the various laws and regulations, the representatives of the Chamber and the Professional Associations submitted their views on issues such as the development of industry, the resolution of problems being faced in Industrial Areas, the modernisation of our tourism product, the reorganisation of the public sector, the improvement of employment, energy and renewable sources of energy, the improvement and upgrading of the offer of commercial services at the Limassol port, the shops' working hours and many other issues of a sectoral and horizontal nature.

Given the Parliament's determinant role in finalising the form of laws and the way in which the latter affect business activity and, by extension, the course of the economy, the CCCI will continue to invest on the close collaboration and briefing of the Parliament's members, in order to achieve the greatest understanding possible and the inclusion of the business people's views in the laws.

ENERGY AFFAIRS

Upon the CCCI's suggestion to the President of the Parliamentary Committee on Energy, Trade, Industry and Tourism, a special meeting was held at the House of Representatives with the members of the aforementioned Parliamentary Committee, where various issues/problems relating to the energy sector were discussed, inter alia.



High energy costs and the adoption of good energy practices were matters of concern for the CCCI over the last year

The CCCI Permanent Committee on Energy submitted the following memorandum to the Parliamentary Committee:

1. High energy purchasing cost, specifically electricity

Contrary to European reality, there are no practices in place for supporting energy-intensive consumers/industries, which are largely affected by the energy purchasing cost and, more specifically, export-orientated industries competing internationally with countries such as Turkey. As a result, Cypriot industries pay one of the highest prices for the purchase of industrial electricity among Europe. It has also been noted that, according to the new fixing of electricity prices, it is expected that the cost of energy will further increase by 8%.

In addition, industries are subject to other fees such as RSE fees and a fee for network usage. Moreover, in case they are self-producers, they are subject to a self-production fee.

Based on the above observations, the CCCI submitted a request for the implementation of supportive practices as applied in the EU and the reduction of the cost of energy incurred especially by energy-intensive and exporting industries.

2. Adoption of sound energy practices

According to the policies promoted by the EU, the following must be supported and promoted:

- (a) the exploitation of RSE (such as photovoltaics), especially

for covering self-production needs (self-production for self-consumption);

(b) the development of systems of Waste Heat Recovery (WHR) from waste gases, for the transformation of thermal energy into electricity;

(c) the promotion of electricity and heat cogeneration; and

(d) the use of RSE - thermal energy by replacing conventional fuel (coal) with alternative fuel.

Finally, a request was made for the simplification of the industries' licensing procedures and the encouragement of the adoption of sound energy practices.

PROMOTING AND MUTUALLY PROTECTING INVESTMENTS BETWEEN CYPRUS AND OTHER COUNTRIES

The shaping of an appropriate legal framework that would specifically regulate all the aspects concerning the investments of Cypriot entrepreneurs abroad as well as the investments of foreigners in Cyprus, is considered a matter of great importance by the CCCI. This is why the CCCI participates in the relevant Committee operating at the Ministry of Energy, Commerce, Industry and Tourism. 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 aspires to the creation of favourable conditions for enterprises.

ARBITRATION MEDIATION

It is a known fact that the CCCI places particular emphasis on alternative dispute resolution methods, since they can contribute to the mitigation of the issue of the long delays observed in the administration of justice. To this end, two services operate at the CCCI, namely the Mediation Service and the Arbitration Service, whose objective is the resolution of 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. The promotion of these services continued during the period under review.

The CCCI's involvement in arbitration dates back a long way and focuses on finding the appropriate arbitrator for each case, while his/her involvement in the mediation procedure is established in the Law on Mediation in Civil and Commercial Cases. According to the Law, which concerns both domestic and cross-border disputes, one of the prerequisites for being inscribed in the official Mediators Register kept at the Ministry of Justice is to be a member of the CCCI. Moreover, the CCCI is responsible by law for the organisation of 40-hour mediator training programmes. Two programmes were organised during the period under review, which trained approximately 40 persons. The CCCI's mediator training programmes are approved by the Norwegian National Mediation Service.

It is also noteworthy that, during the period under review, a large number of mediators of the CCCI's Mediation Service were utilised by the Financial Ombudsman in mediation procedures concerning non-performing loans that are being conducted under his aegis.

Finally, it is noteworthy that the CCCI submitted its detailed views in relation to the introduction of the bill modifying the Law concerning the Financial Ombudsman of the Republic of Cyprus, with its sole aim being the improvement and reinforcement of the Financial Ombudsman's role, while officials from the CCCI met with European Commission representatives who visited the Supreme Court in order to review the institution of mediation in Cyprus after the adoption of the relevant Law and our country's exit from the Memorandum. The CCCI's representatives outlined their well-known positions in favour of mediation and handed out a manual to the European Commission representatives in the context of the European project entitled "Mediation meets Judges", in which the CCCI participated. The manual's purpose is to assist judges in deciding whether a case is suitable for mediation.

NATIONAL PAYMENTS COMMITTEE

During the period under review, the CCCI continued to participate in the National Payments Committee, which took over from the SEPA Coordinating Committee upon the completion of the

transition to the Single Euro Payments Area (SEPA) and operates under the aegis of the Central Bank.

The Payments Committee is responsible for policy making and the drafting of a national strategy for responding to upcoming challenges and exploiting the opportunities that arise from the changes in the European and the more general landscape of the payments services, having in mind Cyprus's particularities such as the developments in the banking sector and the financial services sector as well as the technological developments in respect of payment services.

Furthermore, the CCCI participated in the Central Bank's information campaigns, informing its members on the introduction/circulation of the second series of 50-euro banknotes, while also conducting a relevant survey among Cypriot enterprises, informing and training cashiers on the security characteristics of the new banknote of a nominal value equal to 50 euros, as well as informing its members on the quality of the new banknote that was put into circulation.

BOUNCED/POST-DATED CHEQUES

According to the data of the Central Bank's Central Information Record (CIR), whereas in 2016 the number of bounced cheques was reduced to 1131 as compared to 1542 in 2015, the value of bounced cheques increased, reaching €2,130,314 in 2016 as compared to €1,974,182 in 2015. Although the situation has significantly improved over the last years, it is still a fact that the practice of issuing bounced or/and post-dated cheques is undoubtedly a scourge on enterprises that severely affects their liquidity, and sometimes even their own survival.

The CCCI continued to point out to all directions the persistence of this serious problem, calling upon the enterprises to avoid such practices and be particularly careful in relation to the payment facilities they offer. It also strongly supports all the actions and measures taken in order to eliminate this unacceptable practice.

It is the CCCI's position that the essential containment of the problem can be achieved only by limiting the use of cheques as a means of payment and by utilising other payment methods such as bank transfers, direct debits etc., which should be promoted much more intensely by the competent authorities. 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.

Finally, the CCCI continued to facilitate the access of business people to the CIR through the joint subsidiary company established with Infocredit Group, the First Cyprus Credit Bureau (FCCB).

CCCI BUSINESS LEADER AWARDS

The CCCI Business Leader Awards have been established as an annual event where business leadership and excellence are rewarded through the acknowledgement of leading entrepreneurs in their sector of activity.

The event was organised in collaboration with IMH, with its principal sponsors being EU, CARREFOUR, LAIKO COSMOS and EUROPEAN UNIVERSITY.

The following awards were granted in 2016:

- **EY Honorary Award for Overall Contribution to Entrepreneurship**
Takis Lefkaritis, Lefkaritis Bros Group
- **Business Leader for the Tourism, Hospitality and Leisure Sector**
Vasilis Nicolaides / Dimitris Nicolaides, Atlantica Hotels
- **Business Leader for the Manufacturing Sector**
Charalambos Pattichis, Remedica
- **Business Leader for the Trading Sector**
Photos Photiades, Photos Photiades Group
- **Business Leader for the Services Sector**
Kyriakos Kokkinos, IBM

ANNUAL REPORT 2016-17

CYPRUS CHAMBER OF COMMERCE & INDUSTRY



The granting of the CCCI "Business Leader Awards"

• **Business Leader for the Professional Services Sector**

Eric Montanios, Montanios LLC

• **Business Leader for the Shipping Sector**

Adonis Papadopoulos, Interiorient Navigation

PROMOTING WOMEN'S ENTREPRENEURSHIP

The CCCI firmly believes that women's entrepreneurship largely contributes to growth, innovation and the creation of new employment opportunities. Therefore the CCCI, in close collaboration with the Cypriot Federation of Business and Professional Women (BPW Cyprus), which operates under its auspices, has always supported and promoted women's entrepreneurship in various ways (as the European Union itself does). This promotion also continued in an intensive manner towards all directions during the period gone by.

Moreover, during the period under review, the CCCI collaborated with BPW Cyprus for conducting a Pancyprian survey regarding their position, degree of involvement, opportunities for advancement and equal pay, and the relevant good practices applied by Cypriot enterprises, which demonstrated that, despite some improvement over the last years, we are a long way from the desirable situation and there is still a lot to be done. The survey's results were made known to the executive and the legislature, accompanied by the request of taking the necessary actions for the substantial improvement of the situation.

In addition, on the occasion of the Equal Pay Day (equal pay for equal work between men and women), the CCCI published an announcement urging its members to implement the equal pay for equal work principle and contribute towards eliminating the pay gap between men and women.

It is also worth mentioning that BPW Cyprus in collaboration with the CCCI successfully organised an event entitled "When women take the initiative", where four successful women shared their personal stories, while the formal dinner for the 20th anniversary of BPW Cyprus was also held with great success.

During the period gone by, the operation of the WE internet portal of the European Union was announced, to whose creation



Photo from the BPW's successful event titled "Women take the initiative"

both BPW Cyprus and the CCCI had contributed. The portal provides important information concerning women's entrepreneurship as well as useful information about support organisations in various countries.

Finally, in the context of the bicomunal project entitled "Leading by Example", which is implemented by the CCCI in collaboration with the Turkish Cypriot Chamber, a meeting was held with BPW Cyprus officials and Turkish Cypriot women entrepreneurs, where manners of sharing information and collaborating were discussed.

The factual proof of the importance attributed by the CCCI to the issues concerning women's entrepreneurship, but also of the participation of women entrepreneurs in its decision-making bodies, consists in that officials from BPW Cyprus and from each local BPW participate in the Boards of Directors of the CCCI and the Local Chambers, contributing to the formation of the Chambers' positions and policies.

PROMOTION OF THE CYPRIOT ECONOMY IN THE INTERNATIONAL MASS MEDIA

One of the basic actions of the Chamber is the granting of interviews by the President and the Secretary General of the CCCI to international mass media (electronic and printed), in relation to the progress and developments of the Cypriot economy, especially after the successful completion of the Memorandum.

These interviews included an extensive reference to the principal sectors of the economy and their potential, as well as an analysis/presentation of the prospects and the investment opportunities offered by Cyprus to foreign investors. Special mention was also made to Cyprus's strategic role in the region and its particularly friendly relations with all its neighbouring countries, emphasising the multiple advantages Cyprus has to offer as a basis for the carrying out of their activities, not only at the regional, but also at the international level.

STANDARDS – SPECIFICATIONS

In the context of its planned efforts and actions for the preparation and adoption of the maximum possible 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 constructively with the Cyprus Standards Organisation.

At the same time, during the said period, the CCCI was represented by its Secretariat and its affected members at all the Technical Committees of the European Standards Organisations for the drafting of European Standards concerning various goods and services.

PARTICIPATION OF THE CCCI IN A CONFERENCE OF THE HOUSE OF REPRESENTATIVES ENTITLED: "THE FOURTH INDUSTRIAL REVOLUTION: PROSPECTS AND RISKS"

On 22 June 2017 the House of Representatives organised a hugely successful conference entitled: "The Fourth Industrial Revolution: Prospects and Risks", which covered the following thematic areas:



The CCCI participated in the House of Representative's event on "The Fourth Industrial Revolution: Prospects and Risks"

1. Rapid developments in the production of goods and the provision of services
2. Drastic changes in the labour market
3. New prospects in the health sector
4. Placing the human being at the centre-stage

The CCCI participated in the event through the Director of the Labour Relations Department, who spoke about "Working Conditions in a New Technologically Upgraded Environment" in the thematic area of "Drastic changes in the labour market".

The CCCI welcomed this initiative and highlighted the importance of organising similar conferences in the future.



INDUSTRY



STUDY ON A NEW INDUSTRIAL POLICY

The CCCI submitted its proposal (study) for a New Industrial Policy to the Minister of Energy, Commerce, Industry and Tourism.

The study aims at reviving the current industrial sectors and developing new sectors and technologies through the promotion of research, technological development and innovation.

The need to reshape Cyprus's industrial policy consists in differentiating and recomposing Cyprus's economic model, targeting at the production of high added value products through the constant improvement of the know-how and skills of the managerial staff and the creation of new jobs. The study addresses issues such as the improvement of infrastructure and the supportive framework, the reinforcement of the SME's extroversion, the appropriate reorganisation of enterprises, energy, the tax framework, access to funding and a series of other measures and actions that must be taken in order to increase the sector's contribution to the country's GDP.

Specifically, the study looks forward to the industrial development through the adjustment of the employees' skills and competences, the upgrading of enterprises' technological potential, the easier access to funding and the improvement of infrastructure and the supportive framework, in order to reinforce the flexibility and competitiveness of the Cypriot manufacturing industry.

Furthermore, a suggestion is made for the clarification of the actions to be taken for each industry category, according to their level and involvement in foreign markets. The study proposes the classification of industries into enterprises with no export activity, enterprises with some export activity and enterprises with high export activity. Different actions and a more targeted strategy must apply to each category.

It is also highlighted that industrial policy must be taken into account in all the state's decisions, which must act as a guardian of this effort, in order to ensure political and economic commitment. In addition, it is pointed out that private initiative constitutes the only way out of the crisis and that development could emerge from attractive and viable incentives that would stimulate such initiative through the leverage of private initiatives or capital.

The study highlights the importance of the competitiveness of the industry as well as of the industry sectors that keep offering to the

Cypriot economy unobstructedly, thus contributing to development and the creation of new jobs. The study calls upon the state to take all necessary and efficient actions in the context of an Industrial Strategy for 2015-2020, in a way that will encourage the generation of research, development and innovation as well as investments. The state is also requested to implement reforms in all administrative sectors, in order to found a reliable, stable, friendly and flexible regulatory business framework.

Keeping in mind the European Union guidelines bring industry back to the centre of the new EU development model, as outlined in strategic Europe 2020, the study obtains special importance, since our country must further reinforce the role and contribution of the manufacturing industry in its GDP structure.

PERMANENT COMMITTEE FOR INDUSTRY

All the Local Chambers participate in the Permanent Committee for Industry through their representatives. The Committee is presided by the CCCI's Vice-President for Industry. The Committee's objective is to define the Chamber's industrial policy and codify and examine the totality of the issues directly or indirectly affecting industry.

During the period under review, the Committee dealt with the broadening of permitted uses in industrial areas, the study for the industrial revival, the policy for the management of the contracts for the leasing of land in industrial areas, the problems of sub-leasing industrial plots and other industry-related issues.

The continuation of the close collaboration with the Parliamentary Committee on Energy, Trade, Industry and Tourism was of utmost importance, since it resulted in the detailed examination of issues and problems affecting the smooth operation of industrial units, which were resolved following the Parliament's interventions. As a result of this collaboration, a delegation of the CCCI's Committee on Industry held frequent meetings with the Parliamentary Committee on trade, discussing the main problems faced by the industry sector. Several well-founded memorandums were submitted to the Committee to this end.

THE BROADENING OF PERMITTED USES WITHIN INDUSTRIAL AREAS

Following the CCCI's efforts and coordinated actions, the permitted uses within industrial areas have been broadened so as to include storage, e-commerce and innovation activities. For this purpose, the CCCI worked methodically and in coordination with the Ministry of Energy, Commerce, Industry and Tourism. The CCCI believes that this development will have a beneficial effect on the exploitation of the facilities located in industrial areas, since it is now possible to utilise them for the aforementioned purposes. Moreover, the Regulation is being modernised in order to comply with the European Union development guidelines such as the promotion of e-commerce activities and innovation activities.

It should be noted that the CCCI still disagrees with the development of any kind of retail trade activities within the industrial areas.

POLICY FOR THE MANAGEMENT OF CONTRACTS FOR THE LEASING OF LAND IN STATE-OWNED INDUSTRIAL AREAS

Following deliberations with the Ministry of Energy, Commerce, Industry and Tourism, the policy on the management of contracts for the leasing of land in industrial areas has been agreed.

The CCCI has ensured that it will still be permitted:

- to register leasing contracts in the Department of Land and Surveys;
- to sublease the land, except for the first three and the last seven years of the term of the contract; and
- to have the option to mortgage the contract in order to obtain a bank loan.

For loan restructuring purposes, mortgaged contracts exceeding their seven years of validity shall be transferable to banking institutions, which shall be under an obligation to pay the company's late payments as well as to sell the right in rem within three months of the date of its obtaining.

Furthermore, a possibility will be provided for the early renewal of leasing contracts beyond the last seven years, in cases where

it can be proven that their renewal is necessary due to additional investments.

At the same time, the new leasing contracts have been modified. Specifically:

- The first rent shall be paid within 9 months of the date of the determination of the industrial plot.
- If, three years after signing the contract, the lessee has not begun to construct the plant building, the contract shall automatically cease to have any effect.
- It shall be forbidden to transfer, lease or sublease the industrial plot during the first seven and the last five years.
- The Minister shall have the authority to decide on the renewal of the contract, depending on whether the lessee acts in compliance with the regulations and the law.

In addition to the above, the CCCI's requests for the expansion of the term of the leases for three further 33-year terms are being discussed. The Attorney General is expected to issue an opinion on this matter. The reply of the Minister of Energy, Commerce, Industry & Tourism to the CCCI's letter suggesting a mechanism for determining interest rates, which will be granted as a discount in case the lessee pays the rent in advance, is also pending.

PROCEDURE FOR THE OBTAINMENT OF PERMISSION TO SUBLEASE A PLOT IN AN INDUSTRIAL AREA

In order to sublease a facility situated in an industrial area, the lessee and his/her business activities must be approved by the Ministry of Energy, Commerce, Industry and Tourism. It is a prerequisite of the procedure for obtaining the approval for subleasing to receive a permission to change the use of the facility, which renders the whole procedure time-consuming and very costly for the facility's owner.

The permission to change use is obtained from the area's municipal authority, which in turn requires a building permit. As for existing facilities, of which the majority is more than 20 years old, the cost for obtaining a building permit is high and, in some cases, prohibitive. What is more, it is extremely difficult for an existing and relatively old industrial facility, which has the initial

building permit, to fulfil today's legal requirements for the obtaining of a permit.

For this reason, the CCCI requested that the industrial facilities situated in industrial areas be exempted from the requirement to obtain a permission to change their use in order for their subleasing to be approved. This issue has been discussed at the Parliamentary Committee on Energy, Trade, Industry and Tourism, and is expected to be regulated soon.

PLAN FOR THE PRODUCTION OF ELECTRICITY FROM RENEWABLE SOURCES OF ENERGY FOR SELF-CONSUMPTION

The plan provides the opportunity to commercial and industrial consumers to install photovoltaics and biomass/biogas systems for self-production up to 10 mW per electricity consumption account.

Moreover, the Ministry has satisfied the CCCI's request for granting the right to use public spaces located in industrial areas

(parking areas), where it will be allowed to build covers for the installation of photovoltaics. In this way, local associations or/and any industries, if they so wish, will have the opportunity to collaborate for the production of electricity (up to 10 mW), in order to cover their needs.

DOWNGRADING OF INDUSTRIAL ZONES

The CCCI expressed its strong disagreement with the downgrading of category A industrial zones to category B. Industrial zones were determined decades ago and, in the meanwhile, neither new zones have been created nor the old ones have been expanded in order to serve the industries' emerging housing needs. On the contrary, the residential areas have been expanding through the revisions of the local plans, to the detriment of industrial zones, without taking into consideration the already established industrial zones/areas. In addition, the units developing activities in industrial zones possess the permissions and have obtained all the necessary certificates.

It is imperative to reserve land for industrial uses of all categories, since the industry sector constitutes an important pillar of our country's economy. The tendency to expand residential areas

towards industrial zones –which exerts more and more pressure on industries to move, without having regard to the cost they face nor to the fact that there are no appropriate areas for them to move –has been increasing lately and needs to stop, in order to give way to a better planning of these cases, with the participation of the CCCI.

The CCCI has long requested the protection of industrial areas and zones from the expansion of residential areas.

ACCELERATED DEPRECIATION

The CCCI submitted to several parliamentary parties a suggestion for extending the accelerated depreciation incentive to 2017. It is noted that the accelerated depreciation arrangement was initially granted for 2013 and 2014, in order to boost investments in the construction and hotel sector during the hard period where the Cypriot economy faced unprecedented problems. Subsequently, the arrangement was extended for two more years, 2015 and 2016.

The CCCI requested the granting of an annual increased discount of 20% for all machinery and facilities as well as an annual increased discount of 7% for all industrial and hotel buildings obtained during the financial year 2017. The relevant bill, which extends the accelerated depreciation incentive, has already been submitted to the competent parliamentary committee, and its adoption is pending.

MEETINGS IN INDUSTRIAL AREAS

Representatives of the CCCI and the Local Chambers organised visits in all industrial areas across Cyprus. The principal aim of the visits, which will be carried out at regular intervals, was to record the problems faced by the members in each area and district.

Moreover, the CCCI officers had the opportunity to inform the members about the actions taken by the Chambers in order to support industries, such as the expansion of permitted uses, the granting of permissions for subleasing, the deliberations for the subsidy schemes, the suspension of rent increases and the improvements in the proposed government policy for the management of leasing contracts.



SERVICES



In 2016 the gross domestic product increased by 1.5%. According to the official preliminary data at current market prices, in 2016 it amounted to €17,901m as compared to €17,637m in 2015. The participation of the tertiary sector in the gross domestic product amounted to 86.6% as compared to the contribution of 2.5% of the primary sector and of 10.9% of the secondary sector.

TOURISM

The 2016 was a record year for tourism in Cyprus, with traveller arrivals reaching 3,186,531, presenting an increase by 19.8% as compared to 2015. Similarly important was the increase of the tourist flow during the 2015-2016 winter period by 30%, keeping in mind that seasonality is one of the most serious problems faced by tourism in Cyprus.

Furthermore, the revenue from tourism increased by 11.9%, rising up to € 2,363,4bn as compared to last year's € 2,112,1.

The aforementioned overall performance demonstrates once more that tourism is vital for the country's economy.

It is expected that 2017 will be one of the best years of tourism in Cyprus, with an even higher performance both as regards arrivals and revenue. Nonetheless, we should definitely not be complacent about this success, because it is partly owed to external factors such as the political instability prevailing in various neighbouring competitive countries.

If we want to boost our competitiveness as a tourist destination, our only aspiration must be to constantly improve our tourism product and the services we offer to meet the needs of our visitors.

Having the majority of tourism-related professional associations under its umbrella, and acknowledging tourism's essential role in Cyprus's economy, the CCCI takes on and plays a leading role in promoting the collective effort made by the totality of tourism stakeholders, aiming at achieving immediate solutions in order to overcome the problems faced by the sector.

The professional tourism associations operating under the aegis of the CCCI are the following:



2016 was a record year for Cypriot tourism, with arrivals reaching 3.186.531

- *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 Cyprus Health Services Promotion Board*
- *The Pancyprian Association of Car Rental Owners*
- *The Cyprus Marine Industry and Commerce Association*
- *The Cyprus Association of Professional Tourist Vessels Owners*
- *The Cyprus Tourist Guides Association*
- *The Cyprus Association of Diving Centres*
- *The Cyprus Women Association in Tourism*
- *The Cyprus SPA Association*
- *The Cyprus Association of Leisure Parks and Attractions*

Through the participation in various parliamentary committees and the activities of the professional tourism associations operating under the CCCI, the Chamber redefines its role and contribution in relation to the tourism sector and becomes one of the principal partners of the tourism industry.

For the better handling of tourism issues, the CCCI established the Permanent Committee for Tourism, which is presided by the CCCI's Vice-President for Tourism and is composed of all the Local Chambers and representatives from all the Tourism Associations of the CCCI and the Regional Tourism Development Companies. The main issues dealt with by the Committee were the following:

• **State Secretariat for Tourism**

The establishment of a State Secretariat for Tourism, which will play an essential role in further developing the country's tourism industry, constitutes a clear demand of all Cypriot tourism organisations and a firm position of the CCCI.

Given the important contribution of tourism to the country's GDP, the CCCI considers that the establishment of the said Secretariat is necessary, since, through its upgraded competencies, it will have the opportunity to implement all necessary changes and policy decisions in support of the sector's dynamics.

For this reason, the CCCI, at the meetings of the competent parliamentary committee, supported the immediate adoption and implementation of the relevant law.

• **Tastelessness and Decency Issues in the Tourist Areas**

The tastelessness and decency issues identified in tourist areas are unfortunately chronic, and, despite the lengthy discussions and reflections that have taken place as well as the studies elaborated by the Tourism Development and Promotion Companies (TDPC), they are persistent and continue to cause serious problems.

It is absolutely necessary to continue striving for the resolution of these problems through legal provisions, which will give the competent authorities the power to conduct more effective controls over the issues concerning appearance and the advertising tactics used.

Nonetheless, in order for the aforementioned actions to be efficient, the CTO must announce specific incentive plans and reinforce the TDPC with additional funds, so that they can take up more initiatives.

• **Effective Policing**

The creation of a tourist police is necessary and has been a firm

request of all tourism stakeholders in Cyprus. It will have a decisive role in bringing about good order in tourist areas.

Taking into consideration that, in case a decision is made for the creation of a tourist police, it will be some time before it becomes established and takes up its duties, we believe that, until that happens, it is important to take all necessary actions for enhancing the effectiveness of policing by the current staff.

• **Plan for the Development of Maritime and Coastal Tourism**

Maritime and coastal tourism is a specialised branch of the broader sector of Cypriot tourism, and therefore its development in our country constitutes one of the most dynamic forms of tourism, particularly in light of the need to move further away from the sun-sea model.

The Ministry of Energy, Commerce, Industry and Tourism took up a coordinating role for the elaboration of the National Comprehensive Maritime Policy and the CCCI participates in the Maritime and Coastal Tourism Working Subgroup.

In the context of the examination of the issue, the CCCI submitted specific proposals for the development of diving tourism, which will contribute to Cyprus's promotion as a tourist and diving destination and also to the attraction of organised groups (dive clubs).

Such proposals include the creation of submarine parks in all the districts, making vessels of over 80 metres long available, the creation of diving routes with submarine signalling, the improvement of infrastructure in the current artificial reefs, the development of biodiversity and the increase of fish stocks and the improvement of access to the diving spots, offering more safety to divers.

Furthermore, beaches should be landscaped with Cypriot elements (stone, wood) as well as other elements adding value to the experience such as WiFi in all coastal fronts, umbrellas with electronic devices charging facilities through solar energy, sand ashtrays etc. In addition, useless constructions and tasteless signs must be removed.

In order to improve the information offered to tourists, electronic tourist information spots should be placed, and view points should be created, where possible. Moreover, where possible, local plants should be planted in beaches or nearby parking



The CCCI submitted specific proposals on the development of maritime and coastal tourism

areas.

For the completion of the strategic plan, a specialised department should be established at the Ministry of Energy, Commerce, Industry and Tourism or at the State Secretariat for Tourism. It is also necessary to establish a Working Group, with the participation of the private sector through the CCCI, the Hotel Associations and other involved parties, who will contribute to the materialisation of the plan.

PARTICIPATION IN THE ENTERPRISE EUROPE NETWORK (SECTOR GROUP TOURISM AND CULTURAL HERITAGE)

The Enterprise Europe Network, wishing to contribute to the new European framework policy on European tourism and the encouragement of the sustainable exploitation of cultural heritage and natural resources, is striving to promote innovation in the tourism sector and improve its competitiveness through the Sector Group "Tourism & Cultural Heritage".

Aiming at maintaining Europe as a leading tourist destination, the CCCI as of 2011 participates in brokerage events and fairs/fora specialising in tourism, as well as in two formal meetings of the group, for the discussion of the following issues:

- drafting guidelines concerning the establishment of an enterprise in the tourism sector in each member country of the Network;
- mapping the most important national, European and international conferences, fairs and workshops where business

meetings (brokerage events) can be held and tourism can be promoted;

- improvement of the services offered to SMEs of the tourism sector through the dissemination of good practices, the determination of possible partnerships, the exchange of information, the deliberations with experts and researchers etc.;
- the systematic classification of all funding plans at national and EU level concerning SMEs of the tourism sector; and
- the dialogue with European authorities and the policy-making organisations at national level, in order to inform them of the needs of the tourism sector SMEs.

HEALTHCARE SERVICES

A lot has been done over the last decade for promoting Cyprus as a health tourism destination. This was achieved through the establishment of the Cyprus Health Services Promotion Board (HSPB), upon the initiative of the CCCI, and through the excellent collaboration that developed due to the actions of the HSPB with various organisations and associations, but, first and foremost, with the CTO and the Ministry of Energy, Commerce, Industry and Tourism.

During 2016, the HSPB organised a mission in Moscow, during which a special event was held on 29 October 2016, entitled "Cyprus-Russia Health Tourism B2B Meetings". Subsequently, it participated with its own stand at the specialised fair on medical tourism "Moscow Medshow", between 30/09 and 01/10. Another important development was the completion of the Strategy on Medical Tourism and the drafting of a promotion film about the healthcare sector. In September 2016, a delegation of the HSPB accompanied the Minister of Health at his visit to Oman, where the collaboration of the two countries in the healthcare sector was discussed.

In the same context of promoting health tourism, similar actions are being taken for the creation of clusters, especially in relation to Cyprus's health tourism.

Cyprus actively participated in Global Wellness Day for the second consecutive year, which was organised on 11 June 2017 by the Cyprus Spa Association, which operates under the umbrella of the CCCI.



The Cyprus Health Services Promotion Board at the "Moscow Medshow" specialised fair on medical tourism

The event was held at the old port of Limassol and saw the participation of Spa centres, gyms, wellness centres and schools, which presented programmes focusing on well-being, promoting the anniversary's principal objective, which is to help us realise the value of wellness.

The aforementioned efforts aim at promoting Cyprus as an attractive health tourism destination, thus enriching Cyprus's tourism product and increasing the tourist inflow, while also contributing to the mitigation of the seasonality problem, achieving the extension of the tourism period and attracting quality tourism.

EDUCATION SERVICES

The constant upgrading of higher education services constitutes a firm goal of the CCCI, in line with the aspiration to render Cyprus a remarkable international education centre.

In this light, in March 2017 the CCCI, in collaboration with the Ministry of Energy, Commerce, Industry and Tourism, and with the support of the Ministry of Education and Culture, organised highly successful events in Athens, Volos and Thessaloniki, with the participation of all the Cypriot Universities, which presented their programmes of study to students, parents, teachers, and the wider public.

The success of the aforementioned missions led to the organisation of a second mission in Athens in November 2017, where interested persons were further informed.

Furthermore, the CCCI will intensify its initiatives concerning Cy-

prus's promotion as an international education and research centre, as well as an attractive place for international researchers and students, making the most of the agreements on the mutual recognition of education, products and academic titles signed between Cyprus and other countries such as Russia and China.

These agreements create new circumstances regarding the strengthening of educational links between Cyprus and these two countries and the emergence of new opportunities of student, academic and researcher mobility.

INTERNATIONAL EDUCATION FAIR "EDUCATION AND CAREER 2017"

The successful organisation of the International Education Fair entitled "Education and Career 2017" during the last two years resulted in its establishment as an annual event.

Its organisation in February 2017 was highly successful in respect of the number of Cypriot and foreign exhibitors and visitors.

The Fair is organised by the CCCI, the Cyprus Employers and Industrialists Federation and the European Office of Cyprus, with the support of the Ministry of Education and Culture.

REAL ESTATE MARKET

According to the official data of the Department of Lands and Surveys, sales significantly increased as compared to the previous years, reaching a total of 7063 transactions as compared to 4959 in 2015.

Sales to foreign buyers have also increased, not only because of the fact that real estate sale prices in Cyprus are the lowest in Europe, but also because of Cyprus's attractiveness as a destination with good climate, high quality of life and safety and zero crime.

Of the 756 real estate sale contracts submitted to the Department of Lands and Surveys' offices across Cyprus in May 2017, 496 (65.6%) were submitted by Cypriot buyers, while 260 (34.4%) were submitted by foreign buyers. In May 2017 sales

soared by 348% as compared to May 2016. Sales increased in all Cypriot districts.

As regards building permits, the Department of Lands and Surveys' data show an increase by 8.4% during the first trimester of 2017, as compared to the corresponding 2016 period (a total of 1,861 building permits were issued over January-April 2017), while 1,716 permits were issued in the corresponding period in 2016.

The rise of demand led to the rise of prices, but Cyprus continues to be among the countries with the lowest real estate sale prices.

In the context of its contribution to the recovery of the real estate market, the CCCI submitted specific suggestions such as:

- waiver of the obligation to pay tax on capital gains (until 2018) occurring from the sale of real estate;
- decrease of conveyancing costs and increase of building co-efficient;
- sponsorship of the purchase of land for first home building purposes;
- abolition of the provision concerning the imposition of tax on shares;
- introduction of a provision for reverse charge in cases of divestment and real estate-to-debt swap; and
- the right to impose VAT on real estate (option to tax).

The land development sector remains the central pillar of the economy's development, significantly contributing to the GDP and creating thousands of job opportunities.

The CCCI is working in a methodical and professional manner for restructuring our country's economy and ending the recession, in collaboration with all the competent bodies of this sec-



Photo from the opening ceremony of the Cyprus International Education Fair

tor, and especially the associations operating under its aegis, such as the Major Development Projects Association, the Cyprus Association of Real Estate Owners, the Cyprus Association of Estate Agent Entrepreneurs, the FIABCI and the Association of Property Valuers. The CCCI also collaborated closely with the Institute of Certified Public Accountants of Cyprus on tax and tax incentives issues in relation to the real estate market.

SECURITY SERVICES

The provision of quality security services within the limits of the law and the installation of security systems exclusively by licensed companies and trained staff fulfilling all the requirements based on the relevant legal framework have been a firm objective of the CCCI, which aims at reinforcing the role of the Cyprus Association of Security Services operating under its auspices. One of the principal goals of the Association has been and still is the development and fostering of solidarity and collaboration between its members, which has led to the significant upgrading of professionalism in security companies. In this way the mutual interests of its members are ensured and the quality of the security and surveillance services offered to enterprises and citizens is enhanced.



TRADE



INTERNATIONAL ECONOMY

2016 saw a remarkable fall in the growth rate of international trade for the fifth consecutive year. The performance of 2016 was the lowest (increase by 1.9%) recorded in international trade since the world economic crisis broke out (2008), and this is attributed to the prevailing political uncertainty at a global level.

According to the data of the World Bank and the World Trade Organisation (WTO) for 2017, it is expected that trade will rise by 1.8%-3.6%, while an increase between 2.1% and 4% is expected in 2018.

According to the WTO, "[a] spike in inflation leading to higher interest rates, tighter fiscal policies and the imposition of measures to curtail trade could all undermine higher trade growth over the next two years".

Furthermore, the Secretary General of the WTO has stated that "we should see trade as part of the solution to economic difficulties, not part of the problem," urging governments to adopt policies against economic protectionism.

A POSITIVE – YET REDUCED – SURPLUS OF EU-28

The international trading transactions of EU-28 with the rest of the world (as regards total exports and imports to/from countries outside the EU) in 2016 were estimated at €3.5tn.

Both imports and exports were marginally lower in comparison with 2015, with the decrease of exports (€44bn) being almost double the one recorded in imports (€21bn). As a result, the trade surplus of EU-28 remained positive, yet reduced from €60bn in 2015 to €38bn in 2016.

As for the imports and exports flow, the EU-28 had the second largest share in world trade exports and imports in 2016. The trade exports of EU-28 amounted to a percentage of 15% of the world total, which, for the first time since the creation of the EU, was smaller than China's (15.5%), but remained larger than the United States' (12.2%). As regards world imports, the United States had a larger share (15.9%) in comparison with both the EU-28 (14.8%) and China (12.9%).

DOMESTIC TRADE (IMPORTS/EXPORTS)

Poor liquidity and borrowing difficulties remained among the gravest issues faced by SMEs in 2016. In spite of all the problems, domestic exports increased by 13.3% in 2016, amounting to €959.7m, while Cyprus's total exports (domestic + reexports) presented a decrease by 1.3%, amounting to €1736.5m. On the contrary, imports increased by 15.9% as compared to the previous year (€5,960m), and this is owed to the increased demand due to the growth of tourism, the higher economic growth rates in comparison to the previous years and the improvement of the consumers' purchasing capacity due decreased unemployment rates.

EXPORT AWARDS

For thirty five years now, the CCCI, together with the Ministry of Energy, Commerce, Industry and Tourism, organises the Export Awards for Products and Services.

Following a thorough examination, evaluation and analysis of all applications, in 2016 the Selection Committee granted the following for 2015:

A. Export Award for Industrial Products

1. Award for enterprises employing up to 50 persons:

"VITATRACE NUTRITION LTD"

2. Award for enterprises employing more than 50 persons:

"MEDOCHEMIE LTD"

3. European Union Award for enterprises employing more than 50 persons:

"ALCO FILTERS LTD"

B. Special Award for Industrial Products

"PISSIS LTD"

C. Award for Services

"TOTAL SERVE MANAGEMENT LTD"



The President of the Republic addresses the official Export Awards ceremony for 2016

D. Special Award for Services

“BAKER TILLY KLITOY & PARTNERS LTD”

E. Award for Tourism

“KANIKA HOTELS PLC LTD”

The award ceremony took place at the Presidential Palace, in the presence of the President of the Republic, Mr Nikos Anastasiades.

TRADE AFFAIRS

The constant growth of trade, both as regards exports and imports, on the basis of equality and the adherence to the principles of healthy competition, is a firm objective of the CCCI. In this context, it will continue to play an important and essential role in boosting the necessary conditions for the facilitation of the conduct of competitive, free and unhindered trade.

In order to better approach the affairs relating to trade, the CCCI has established the Permanent Committee on Trade, which is presided by the CCCI’s Vice-President for Trade and in which all the Local Chambers are represented.

The Association of Consumer Products Suppliers and the Cyprus Association of Alcoholic Drinks Distributors, which operate under

the aegis of the CCCI, are also represented in the Committee.

Depending on the issues discussed, representatives from other relevant associations and organisations are invited to participate in the meetings, in order to express their views and suggestions.

The principal issues examined were the following:

- Promotion to all competent Ministries and authorities as well as to the Parliamentary Committee on Trade of the chronic problems faced by the trade sector due to illegal and unprofessional conduct, which boils down to unequal treatment and unfair competition between product importers who do not pass through the necessary controls as they are conducted on the sector’s law-abiding professionals.



Granting of the Products and Services Export Awards



Photos from the seminars on the New Mechanism for the Rescue and Recovery of Enterprises and the Preservation of Employment

- Mandatory registration of everyone placing products on the market with a package waste management company.
- Strict implementation of the regulations on product conservation-storage.
- Representations to the competent Ministries in order to determine whether and to what extent the necessary controls for preventing any unfair practices take place.
- Proposal for the more careful conduct of necessary controls by the competent authorities, and especially by the customs office, in order to ensure that importers hold all the necessary certificates.
- Support of the European Directive for the creation of a Track & Trace system concerning cigarette smuggling.
- The conditions for reopening the parliamentary debate on the establishment of a more rational method for the calculation of the taxation of tobacco products that will serve both the government and the importers through the reduction of retail prices, in order to create disincentives for smuggling through the occupied regions.

EXAMINERSHIP: THE NEW MECHANISM FOR THE RESCUE AND RECOVERY OF ENTERPRISES AND THE PRESERVATION OF EMPLOYMENT

In the context of its activities, and in order to further inform entrepreneurs, the CCCI organised seminars in Nicosia and Limassol on the New Mechanism for the Rescue and Recovery of Enterprises and the Preservation of Employment.

The seminars were organised in collaboration with the Insolvency Service of the Ministry of Energy, Commerce, Industry and Tourism, with the participation of the Cyprus Institute of Certified Management Consultants, which operates under the umbrella of the CCCI.

The seminar's target was to inform participants on the examinership mechanism, which concerns the restructuring of enterprises' debts and was adopted through the insolvency framework laws, and offers the opportunity to find solutions via legal procedures and supervision by the courts, in order to be rescued.

The seminars highlighted the major importance of this new mechanism for the rescue and recovery of enterprises and the preservation of employment as compared to bankruptcy and liquidation, since its appropriate utilisation will result in avoiding abusive decisions that have a negative effect on our country's entrepreneurship.



CYPRUS
CHAMBER OF
COMMERCE AND
INDUSTRY



Memories - Images - Moments

The CCCI celebrated its 90 years of rich action and contribution to Cyprus and its economy with an event held in the gardens of the Presidential Palace. The event, which was attended by 400 official guests, state officials, entrepreneurs and senior executives, was addressed by the President of the Republic, Mr Nikos Anastasiades, while Mr Phidias Pilides, the President of the CCCI, was the keynote speaker.

During the event, the President of the Republic awarded a plaque of honour to the CCCI on behalf of the Republic of Cyprus, recognising its role and contribution to the country's economic development and progress over the 90 years of its life.

The event was sponsored by PwC, the Bank of Cyprus and Logicom, while drinks were offered by the Zambartas and Vlassides wineries and Lanitis Bros Ltd.

CCCI
90
1927 - 2017
years



CCCI
90
1927-2017
years



CCCI
1927-2017
90
years



CCCI
90
1927-2017
years



CCCI
1927-2017
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years



CCCI
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1927-2017
years



CCCI
90
1927-2017
years





INTERNATIONAL RELATIONS



During the period under review, the Department of International Relations continued to carry out remarkable activities aiming at promoting Cyprus as an international business and investment centre. This was achieved through organising business missions and fora in various European, Asian, African and Middle Eastern countries, as well as through holding private business meetings between enterprises from Cyprus and the visited countries. Particular emphasis was placed on upgrading the quality of private business meetings by utilising the services of specialised consultancy companies.

At the same time, the operation of the growing number of interstate business associations was reinforced, with a view to opening pathways to new promising markets, while increased focus was put on deepening the bilateral business relations with these countries. Constant efforts are also being made towards promoting Cyprus as a regional base for multinational companies operating in the European Union (with particular emphasis on the United Kingdom), the Middle East, Asia and Africa.

BUSINESS MISSIONS AND FORA ABROAD

The CCCI, in close collaboration with the Ministry of Energy, Commerce, Industry and Tourism and the Cyprus Investment Promotion Agency, continued to work intensively in order to promote Cyprus and its services abroad through organising business missions and fora. The missions' primary goal was to inform business people in various countries about the opportunities offered by Cyprus as an investment destination and as a



Photo from the CCCI's business mission in Jordan



The CCCI participated in a business mission and forum in Mumbai, India

regional base for multinational enterprises. Part of our strategy was the selection of specific, promising sectors of the economy, which were promoted in a targeted manner in specific markets that demonstrated their interest, while specific products such as the management of investment funds in Cyprus and real estate investments were handled in a similar way.

During the period under review, missions were carried out in 7 countries covering 9 cities, with the participation of a considerable number of Cypriot enterprises.

The presidential and ministerial missions organised in key countries were a major success. The institution of the presidential and ministerial missions is highly successful, because, due to the presence of the President of the Republic or various Ministers and other state officials, the authorities and chambers of the visited countries become more actively involved, and this results in increasing the participation of local companies and, by extension, the number of private meetings held with the participants of the Cypriot mission.

The business missions in India (New Delhi and Mumbai) and Lebanon (Beirut), which were held with the participation of the President of the Republic, Mr Nikos Anastasiades, and the mission in Jordan (Amman), which was held with the participation of the Minister of Energy, Commerce, Industry and Tourism, are particularly noteworthy. We should also mention that the Presidential mission in India was held on the occasion of the signing of the updated convention for the avoidance of double taxation between the two countries.



Photo from the CCCI's business mission in Lebanon

INTERSTATE BUSINESS ASSOCIATIONS

Recognising the need to reinforce Cyprus's commercial and business relations with various countries, the CCCI closely monitors political and economic developments in the international scene and acts in a timely manner, establishing new business associations, always with the close collaboration of the corresponding Embassies.

The Associations develop a multitude of business-related activities such as the organisation of lectures, seminars, networking events and business missions, but also charitable and cultural activities.

Today, 35 such Associations operate, with the participation of a great number of reputable Cypriot and foreign enterprises op-



Photo from the CCCI's business mission and forum in Moscow

erating in Cyprus. The Cyprus-Jordan Business Association was founded during the period under review.

The following are included among the principal activities of these Associations:

- the organisation of business missions and fora in the corresponding countries for promoting Cyprus and its advantages, in collaboration with the CCCI and the Ministry of Energy, Commerce, Industry Tourism;
- the arrangement of business meetings between entrepreneurs from both countries for the development of collaborations;
- investment-attracting activities;
- the drawing up of inventories of problems and the submission of suggestions for their resolution, in order to open up more prospects and opportunities for collaborations;
- the provision of technical support to the state by the Associations' members;
- the organisation of conferences in Cyprus, with the participation of speakers from these countries, as well as other events such as the ones mentioned above; and
- the close and continuous contact with the Embassies of the corresponding countries in Cyprus for the co-organisation of various events. The relations developed with the Embassies

ANNUAL REPORT 2016-17

CYPRUS CHAMBER OF COMMERCE & INDUSTRY

create conditions that facilitate the substantial promotion and understanding of our pursuits regarding issues of direct interest to the Cypriot business community.

For the purpose of the Associations' operation and the carrying out of their activities, the CCCI makes available on a permanent basis several members of its personnel, its buildings and infrastructure, while it covers a considerable part of the costs of the missions and events organised by them.

The 35 Bilateral Business Associations operating under the auspices of the CCCI are the following:

Cyprus-American Business Association

Cyprus-Austria Business Association

Cyprus-Bulgaria Business Association

Cyprus-Canada Business Association

Cyprus-China Business Association

Cyprus-Countries of the Gulf Cooperation Council Business Association

Cyprus-Croatia Business Association

Cyprus-Czech Business Association

Cyprus-Egypt Business Association

Cyprus-France Business Association

Cyprus-Georgia Business Association

Cyprus-Germany Business Association

Cyprus-Greece Business Association



Photo from the mission in Jordan

Cyprus-Hungary Business Association

Cyprus-India Business Association

Cyprus-Iran Business Association

Cyprus-Israel Business Association

Cyprus-Italy Business Association

Cyprus-Jordan Business Association

Cyprus-Kuwait Business Association

Cyprus-Lebanon Business Association

Cyprus-Libya Business Association

Cyprus-Netherlands Business Association

Cyprus-Qatar Business Association

Cyprus-Romania Business Association

Cyprus-Russian Business Association

Cyprus-Scandinavian Business Association

Cyprus-Serbia Business Association

Cyprus-Slovakia Business Association

Cyprus-South Africa Business Association

Cyprus-Spain Business Association

Cyprus-Syria Business Association

Cyprus-UK Business Association

Cyprus-Ukraine Business Association

Polish-Cypriot Chamber of Commerce



The President of the Republic participated in the business mission in India



From the event co-organised by the CCCI, the Chinese Embassy and the Cyprus-China Association on "Cyprus's Role in the Silk Road"

MAIN ACTIVITIES OF THE INTERSTATE ASSOCIATIONS

During the period under review, the bilateral Business Associations carried out a multitude of activities. Indicatively, the most important events were the following:

CYPRUS-CHINA BUSINESS ASSOCIATION

One Belt One Road Seminar

The Cyprus-Chine Business Association and the CCCI, in collaboration with the Department of Economy & Trade of the Embassy of China, organised a seminar entitled:

«Chinese One Belt One Road Initiative and Cyprus' role as a stepping stone into the Region».

The seminar took place on June 2017 at the Embassy of the Popular Republic of China and was attended by 25 Cypriot and 25 Chinese entrepreneurs.

The seminar presented Cyprus's advantages and the importance it can have for the "Silk Road", acting as a bridge between China and Europe.

CHINESE CULTURAL FESTIVAL

The Cyprus-China Business Association, in collaboration with the CCCI and the Confucius Institute of the University of Cyprus, organised for the first time the Chinese Cultural Festival in Cyprus.

The festival took place on 15 and 16 October 2016 at the former residence of the District Officer of Paphos.

The attendants had the opportunity to watch a performance of traditional dances and songs by the Chinese group Zilong China Folk Art Troupe, calligraphy, Tai Chi, acupuncture, magic tricks from Beijing and traditional Chinese dishes.

CHINA DESK ESTABLISHMENT IN PAPHOS

In 2017 the Cyprus-Chinese Business Association and the CCCI established the China Desk, which is housed at the Paphos CCI's offices. The Desk's objective is to offer services and guidance to Chinese investors interested in opportunities in Cyprus as well as to track down new collaboration prospects between entrepreneurs from the two countries.

CYPRUS-RUSSIAN BUSINESS ASSOCIATION

Business Mission and Forum in Moscow

The Cyprus-Russian Business Association, the CCCI and the Ministry of Energy, Commerce, Industry and Tourism organised a business mission and forum at the offices of the Chamber of Commerce and Industry of the Russian Federation in Moscow in June 2017, aiming at the promotion of investments and collaborations between the two countries and the utilisation of Cyprus as an international business centre by Russian companies.



Photo from the event of the Cyprus-Russian Business Association titled "The Future of Cyprus for Russian Business"

The forum centred on tightening business links between Cyprus and Russian in the services, investments, real estate, privatisations, auditing, accounting, legal services, tourism, financial and shipping sectors. The mission consisted of 18 Cypriot companies, which held meetings with more than 80 Russian companies.

CONFERENCE ON "THE FUTURE OF CYPRUS FOR RUSSIAN BUSINESS"

In March 2017, the CCCI and the Cyprus-Russian Business Association organised a conference in Limassol, which was entitled: "The Future of Cyprus for Russian Business", with the participation of more than 180 Cypriot and Russian enterprises.

The conference was addressed, among others, by the Minister of Finance and the Ambassador of the Russian Federation in Cyprus.



Round table discussion with the participation of the Egyptian Minister of Investment and International Cooperation, organized by the CCCI and the Cyprus-Egypt Business Association

Cyprus and by the Ambassador of the Russian Federation, Mr Stanislav Osadchiy.

RUSSIAN DESK ESTABLISHMENT IN LIMASSOL

On 1 January 2016 the Cyprus-Russian Business Association and the CCCI established the Russian desk, which is housed at the Limassol CCI's offices

The Desk's objective is to attract Russian entrepreneurs who live in Cyprus. The Russian Desk promotes solutions to problems that are likely to be faced by Russian entrepreneurs while performing their business activities in Cyprus. The inauguration of the Russian Desk was held on 21 April 2016 at the Lanitis Carob Mill in Limassol.

The Russian Desk has assigned an auditing firm with the task of conducting a survey among Russian entrepreneurs who are mainly active in Limassol, aiming at recording through interviews the problems they have to face while performing their activities as well as suggestions for addressing and resolving them. The results will be reviewed and promoted for resolution/materialisation on the basis of specific suggestions.

In December 2016 a formal dinner was organised in Limassol, under the aegis of the President of the Republic of Cyprus, Mr Nikos Anastasiades. The dinner was attended by a large number of entrepreneurs of the Russian economic community in

ROUND TABLE DISCUSSION WITH THE EGYPTIAN MINISTER OF INVESTMENT AND INTERNATIONAL COOPERATION

On the occasion of the 2nd Summit of the Cyprus-Egypt Intergovernmental Committee, the CCCI and the Cyprus-Egypt Business Association organised a Round Table Discussion with the Egyptian Minister of Investment and International Cooperation, Dr Sahar Nasr.

Issues of mutual interest as well as the two countries' strategic advantages were discussed at the event. Furthermore, Cypriot and Egyptian development projects and investment opportunities were presented.

In the context of the event, the CCCI signed an updated Memorandum of Cooperation with the Egyptian Businessmen's Association.

EVENT ENTITLED "A NEW ERA IN CYPRUS-INDIA BUSINESS RELATIONS"

The CCCI and the Cyprus-India Business Association, in collaboration with the High Commission of India in Cyprus, organised a thematic event, with the main speaker being the Indian Minister



The Indian Minister of State for External Affairs, Mr M.J.Akbar.at a CCCI event

of State for External Affairs, Mr M.J. Akbar.

The event was attended by member entrepreneurs of the CCCI and the Cyprus-India Business Association as well as Ministers and other state officials.

Among other things, the Minister of State pointed out the traditionally excellent relations between Cyprus and India and presented the prospects for further reinforcing their bilateral business and trade cooperation, with particular emphasis on the tourism and the informatics and communication sectors, as well as on utilising Cyprus as a regional base for Indian companies wishing to conduct operations in the European Union.

WORKING LUNCH OF THE CYPRUS-ISRAEL BUSINESS ASSOCIATION

This year too, the Cyprus-Israel Business Association organised a working lunch in a hotel in Nicosia, with more than 100 participants. The event was organised in collaboration with Israel's Embassy in Cyprus.

Economist Manuel Trajtenberg, Professor and member of the Israeli Parliament (Knesset), was the main speaker with his presentation on "The current economic and social challenges: Possible Lessons to Cyprus & Israel"

This extremely interesting topic gave participants the opportunity to receive useful information and discuss with this internationally renowned economist.

CYPRUS-FRANCE BUSINESS ASSOCIATION CHARITY DINNER

In the context of its social contribution, the Cyprus-France Business Association organised its annual charity dinner for the benefit of "Elpida", a foundation assisting children suffering from cancer and leukaemia.

The event was supported by the French Embassy in Cyprus and was placed under the auspices of the Commissioner for Volunteerism and NGOs.

Approximately 230 persons attended the dinner, collecting a substantial amount for reinforcing the Foundation's work.

THEMATIC EVENT OF THE CYPRUS-SCANDINAVIAN BUSINESS ASSOCIATION

The Cyprus-Scandinavian Business Association organised a thematic event in Nicosia on "Solar Energy Projects in Cyprus".

The main speaker was Mr Håkan Henriksson, Executive Director of Scandinavian Solar Parks, who, among other issues, analysed the prospects in the solar energy and photovoltaic field, explaining the reasons why this Scandinavian company has invested in Cyprus.

The event was supported by the Embassies of Sweden and Finland in Cyprus and was attended by member entrepreneurs of the Cyprus- Scandinavian Business Association.

EVENT OF THE CYPRUS-AMERICAN BUSINESS ASSOCIATION: "THE BUSINESS OF PROTECTING YOUR BUSINESS"

For the purpose of informing about enterprises' protection from cyber crime, the Cyprus-American Business Association organised a relevant event. FBI Special Agent, NYC Cyber Division Aristides Macheras, was the key note speaker.

The event entitled "The Business of Protecting your Business" was supported by the Embassy of the USA in Cyprus and by several member companies of the Association. This largely successful event was attended by more than 200 participants.

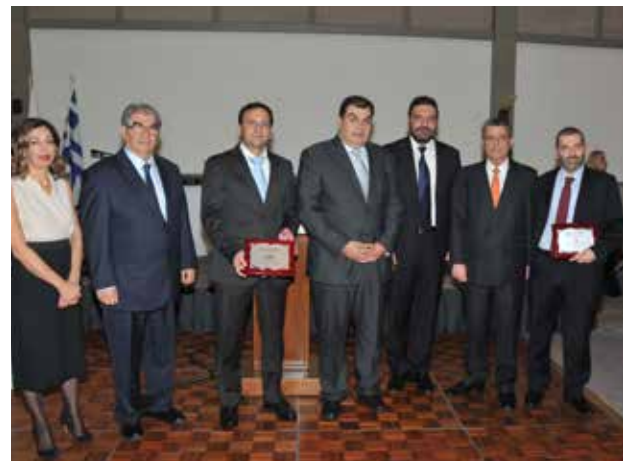


Photos from the contacts and meetings of the large mission of the Cyprus-Greece Business Association in Thessaloniki

EVENT OF THE CYPRUS-UK BUSINESS ASSOCIATION: "UK'S REFERENDUM ON THE EU"

The Association, in collaboration with the ICAEW (Institute of Chartered Accountants in England and Wales) and the High Commission of the United Kingdom in Cyprus, organised for the 7th consecutive year a panel discussion, which concerned the consequences of a possible Brexit. The likely consequences on the two countries' business relations were discussed at the event, which was held before the holding of the referendum in the UK. The event, which was also attended by members of the Institute of Certified Public Accountants of Cyprus, was addressed by Mr Michael Izza, Chief Executive at the ICAEW

Upon the conclusion of the event, the discussion's outcomes were recorded and made available to the public as well as to the competent authorities. As a result, the Association proceeded with taking specific actions concerning the Brexit.



The Cyprus-Greece Business Association organised a dinner, where the National Bank (Cyprus) Ltd and J&P Avax were honoured

More than 200 Cypriot entrepreneurs participated in the event, who were informed of the existing collaboration opportunities.

CYPRUS-GREECE BUSINESS ASSOCIATION EVENT CONCERNING THE PRESENTATION OF THESSALONIKI

An event concerning the presentation of Thessaloniki in Nicosia was held at the CCCI. It was organised in collaboration with the Thessaloniki Municipal Authorities in the form of a business mission with the participation of 20 Greek enterprises. The event's goal was to present collaboration opportunities in tourism, education, gastronomy and health and to generally illustrate the business activities between enterprises from Thessaloniki and Nicosia.

CYPRUS-GREECE BUSINESS ASSOCIATION BUSINESS DINNER

The business dinner of the Cyprus-Greece Business Association was organised for the second consecutive year. It was attended by the Ambassador of Greece in Nicosia, the Deputy Minister to the President, the President of the CCCI as well as by 200 member entrepreneurs of the Association and the CCCI.



LABOUR MATTERS





Photos from the successful seminar titled "How safe is your business"

The CCCI was concerned about and attentively dealt with labour matters, since the developments taking place in the labour relations field directly affect the employment field and, by extension, the viability of Cypriot enterprises and the citizens' standard of living.

In this context, the CCCI continues to actively participate in free collective and company bargaining and in all the tripartite bodies at the Ministry of Labour, Welfare and Social Insurance, decisively contributing through its substantiated positions to achieving a mutually acceptable adjustment of the labour issues that emerge. The CCCI also plays an important role in the drafting and adoption of legislation. The support of the business activity, which is the steam engine of the stable and viable growth of the economy, is among the CCCI's primary concerns.

In April 2017 unemployment in Cyprus was at 11.6%, presenting a gradual decrease by 10% as compared to 12.4% in April 2016.

The enhancement of employment and the fight against unemployment have always been top priority matters for the CCCI. The CCCI's actions in favour of the implementation of longer working hours for retail shops, as well as the Ministry of Labour's successful policy of improving and expanding employment support schemes, which was backed by the CCCI, have decisively contributed towards boosting employment through the recruitment of thousands of unemployed persons.

During the period under review, the CCCI welcomed the government's initiative to submit a number of bills to the Parliament, aiming at reforming and modernising the public sector, which

include, among other things, the introduction of a mechanism ensuring the preservation of the state's wage grid at a rational financial level, the introduction of a fair evaluation system and the introduction of full interchangeability.

The CCCI called upon the Parliament to immediately pass these bills, since they will contribute towards the increase of the public service's performance and the achievement of proper fiscal discipline, allowing thus the channelling of more funds for development purposes. Unfortunately, the Parliament voted against the bills. Despite these negative developments, the CCCI kept promoting these issues, highlighting the need to bring them back to the Parliament for consideration. As a result, the government initiated a new round of deliberations with the political forces, aiming at amending the bills in order to render their adoption possible.

The CCCI met with the delegation of the Troika (European Commission, International Monetary Fund and European Central Bank). During the meeting, the CCCI expressed its deep concern over the delay in adopting the bills for the reform of the public service and pointed out the importance of their adoption for the reinforcement of the economy's development and the attraction of new investments. At the same time, the CCCI explained its positions on the Automatic Wage Indexation (AWI) and the General Healthcare System and provided information on the development of the collective bargaining process for the renewal of contracts in the private sector.

The issue of the AWI was at the centre of developments, with the Ministry of Labour announcing the launching of a dialogue among the social partners, in order to find a solution to this issue,

which is so important that it affects the smooth operation of the market and the economy.

The CCCI submitted its comprehensive views, which have been taken into serious consideration for the shaping of the final proposal put forward by the Minister of Labour. Upon serious consideration and taking into account the importance of maintaining good labour relations, the CCCI decided to accept the proposal for a transitional agreement of a duration of three years, without retreating from its firm position that the AWI is old-fashioned and should be abolished.

The CCCI placed particular emphasis on the renewal of collective contracts by directly participating in the negotiations both at a sectoral and a company level, on the basis of its policy that the slight stabilisation observed in enterprises and the marginal recovery of the economy do not yet allow for the full restoration of wages and benefits, because the economy is still rather fragile. The negotiations resulted in that in some cases, contracts were renewed without being modified, while in other cases, special agreements were signed, preserving part of the reduction of the labour cost, thus contributing to the gradual recovery of the reductions that were imposed on wages and benefits.

During the period under review, taking into serious consideration the enterprises' inability to pay their contributions to the Social Insurance Fund on time due to the grave economic crisis, the CCCI intensively promoted this issue to the Minister of Labour, Welfare and Social Insurance, aiming at providing facilities to enterprises for the gradual repayment of their obligations.

As a result of the CCCI's efforts, the Minister of Labour submitted a legislative proposal to the Parliament on the Regulation of Overdue Social Contributions, which was adopted on 23/6/2016.

Furthermore, at a meeting with the Minister of Labour, the CCCI submitted a detailed memorandum with suggestions covering the following matters: the legal regulation of the right to strike in essential services, the legal regulation of collective contracts, the AWI, the reduction of employers' contributions to the Redundancy Funds, the damages for the loss of Welfare Funds, illegal and undeclared work, the inspection of workplaces, flexible forms of employment, the modernisation of public employment services, the measures for combating unemployment, the foreign workforce and the Social Insurance Fund.

The issues of safety and health at work were among the CCCI's priorities, since they decisively contribute to the reduction of occupational accidents and the increase of productivity. To this end, the CCCI organised several educational seminars concerning the obligations imposed on employers by the legal framework, aiming at training and informing its member employers and company managers. At the same time, the CCCI actively participated in the Cyprus Safety and Health Council as well as in the specialised Committees, contributing in a constructive manner to the adoption of policies regarding safety at work. Furthermore, through regular circulars, the CCCI informed its members of the most important developments concerning safety and health issues directly affecting them.

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 the context of its policy of providing continuous information and guidance to its members, the CCCI published numerous circulars concerning the totality of labour issues.

Finally, the qualified personnel of the Department of Labour Relations of the CCCI actively participated in all the tripartite bodies and committees of the Ministry of Labour and the Parliament, as well as in European Union Committees on labour matters, representing Cypriot employers.

LABOUR ADVISORY BODY

The Labour Advisory Body, in which the CCCI actively participated, dealt with the following key issues:

- Automatic Wage Indexation (AWI);
- amendment of the Law and Regulations on undeclared work;
- bill on the protection of paternity;
- amendment of the Law on the protection of maternity;
- amendment of the Law on Social Insurance;
- bill on the establishment of a Single Inspections Service at the Ministry of Labour, Welfare and Social Insurance;
- bill and regulations on the posting of workers in the context of the provision of services;

- bill on the facilitation of the exercise of workers' rights in the context of the free movement of workers;
- Regulations on Safety and Health at Work (Registration of Premises, Facilities and Enterprises);
- (Amending) Law on Factories;
- Decree on Safety and Health at Work Issuance of Premises, Facilities, Enterprises and Workplaces Registration Certificate;
- incentive schemes for the employment of long-term unemployed persons;
- Regulations on Safety and Health at Work (Out of Court Settlement of Offences);
- Amendment of the Law on Employees with a Fixed-Term Contract (Prohibition of Discrimination);
- Amending Regulations of the Law on the Termination of Employment (Redundancy Fund);
- Regulations on Safety and Health at Work (Installation, Operation, Maintenance and Inspection of Liquefied Gas Devices); and
- Amending Bill concerning the supervision of driving and rest times of drivers of certain vehicles.

NATIONAL EMPLOYMENT COMMITTEE

The CCCI actively participated in the National Employment Committee, which reviewed the situation of the labour market and the employment of workers from third countries and examined issues such as the saving of job posts for Cypriots, illegal/undeclared work, the social partners' proposals for dealing with unemployment and the institution of social economy.

The CCCI played an important role in drafting the plans that were announced by the Ministry of Labour and the Human Resource Development Authority for the purpose of supporting employment and providing enterprises with incentives to recruit unemployed persons.

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 delays observed in the carrying out of the work of the Social Insurance Services;
- the examination of applications for redundancy payments;
- the modernisation of widows' pensions – allocation of widows' pensions to current and ex-spouses;
- the implementation of the Law on the Regulation of Overdue Social Contributions;
- survivor's pension for widowers;
- the under-staffing of the Social Insurance Services;
- the Social Insurance Fund's investment policy;
- the financial statements of the Social Insurance Fund; and
- the financial statement of the Unemployment Benefits Account and the Social Insurance Fund for 2016.

COUNCIL OF THE CENTRAL HOLIDAY FUND

The Council of the Central Holiday Fund dealt with the financial statements of the Central Holiday Fund for 2016, the Fund's budget for the 2017-2019 period, the operation of the Holidays Subsidy Scheme for 2017 and the Fund's economic viability. In light of the particularly difficult financial situation of the Fund, the CCCI's position was that priority should be given to the payment of the employees' holidays and the Scheme should apply only to hotels in mountain areas and not to the trade unions' retreats. The CCCI also supports that a way must be found to reduce the Fund's administrative costs and to improve the yield of the deposits' interest rates.

REDUNDANCY FUND AND INSOLVENCY FUND COUNCILS

The CCCI is represented in the Councils of the Redundancy Fund and the Insolvency Fund, which dealt with the financial statements and the accounts of the two funds for 2016.

A total of 5836 applications for payment by the Redundancy Fund were examined in 2016 (3779 new applications and 2057 pending applications), out of which 4558 were approved. The total sum paid was €42,732.960.

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 actions for the materialisation of Cyprus's Strategy for Safety and Health at Work for the 2013-2020 period;
- statistical data concerning the activities of the Safety and Health at Work field in 2016;
- inspection campaigns for 2017;
- Code of Practice concerning the thermal distress of workers;
- consolidation of the Regulations on the Management of Safety and Health Issues at Work and the Regulations on Safety Committee;
- Decree on Safety and Health at Work (Code of Practice for the Deliberations between Employer and Employees);
- New Regulations on Liquefied Gas;
- (Amending) Regulations on Safety and Health at Work (Notifications of Accidents and Hazardous Incidents);
- Regulations on Safety and Health at Work (Electromagnetic Fields);
- the 2017 (Amending) Law on Safety and Health at Work;
- (Amending) Law on Factories;
- the 2017 Regulations for the Management of Safety and Health Issues at Work;
- Regulations on Minimum Requirements (Pressure Equipment);
- the 2017 Regulations on Safety and Health at Work (Out-of-Court Settlement of Offences);
- the 2017 Regulations on Safety and Health at Work (Health Supervision);
- the 2017 Regulations on Safety and Health at Work (Registration of Premises, Facilities and Enterprises);
- the 2017 (Amending) Regulations on Safety and Health at Work (Carcinogenic Agents);
- the 2017 (Amending) Regulations on Safety and Health at Work (Chemical Agents);

HUMAN RESOURCE DEVELOPMENT AUTHORITY

The CCCI actively participates in the Board of Directors of the Human Resource Development Authority (HRDA). Among the most important issues dealt with by the Board of Directors during the period under review were the HRDA's annual report and the financial statements for 2015, the management and monitoring of the scheme for the placement of unemployed persons in enterprises for the purpose of obtaining work experience, the participation of unemployed persons in multi-operational training programmes and the scheme for the placement of persons entitled to the Guaranteed Minimum Income for the purpose of obtaining work experience in the public and the wider public sector.

GENDER EQUALITY COMMITTEE IN EMPLOYMENT AND VOCATIONAL TRAINING

The CCCI actively participated in the Gender Equality Committee, whose principal task is to monitor the implementation of the Law on the Equal Treatment of Men and Women in Employment and Vocational Training and suggest the introduction of measures and programmes for the promotion of gender equality in employment.

During the period under review, the Committee dealt with various equality issues, and principally with the promotion of a Code on Preventing and Combating Sexual Harassment at Work, a plan of action for 2016, as well as with the organisation of events, lectures and conferences.

In addition to its important contribution towards the drawing up of policies in relation to equality matters, the CCCI organised seminars for the purpose of informing its members on issues of sexual harassment, equal pay for equal work and equal treatment.

NATIONAL AGENCY FOR DEMOGRAPHIC AND FAMILY POLICY

The CCCI actively participated in the drafting of the Action Plan for Demographic and Family Policy for 2016-2017 by submitting suggestions. The Agency's purpose is to monitor demographic changes in Cyprus and to submit suggestions and proposals aiming at the improvement and the drawing up of ap-

appropriate policies to respond to these changes, and also at the reconciliation between professional and family life.

In order to achieve the immediate materialisation of the measures provided for in the Action Plan and monitor their materialisation, the following committees have been created:

- a. Committee for Processing actions that will constitute the nucleus of complementary or future actions to be included in the next Action Plan.
- b. Monitoring Committee of the total materialisation of the 2016-2017 Action Plan.
- c. Committee for Education
- d. Committee for Providence
- e. Committee for Health

AUTOMATIC WAGE INDEXATION (AWI)

The Automatic Wage Indexation (AWI) was among the most important issues that concerned the social partners during the dialogue held with the intervention of the Minister of Labour. It is the CCCI's firm position that the AWI is an old-fashioned institution that should be abolished, and that the AWI should adapt to the fluctuation of the Consumer Price Index. During the social dialogue, the CCCI submitted its suggestions and positions on modifying the method of calculating the AWI, in order to take into account the economy's current circumstances. After various meetings, the Minister submitted the following proposal:

Transitional Agreement on Automatic Wage Indexation of a Duration of Three Years

In order to preserve labour peace and the workers' standard of living and, taking into account all the circumstances, the contracting parties, after conducting a constructive dialogue, agreed for the payment of the AWI for 2018, 2019 and 2020 as follows:

- The AWI shall be paid on the condition that, during the second (2nd) and third (3rd) trimester of the previous year, the economy's growth rate is positive.
- The AWI shall be paid once a year and amount to 50% of the annual increase of the Consumer Price Index, as it is calcu-

lated by the Statistical Service. The AWI shall be calculated on the 1st day of each month of the year.

- On 31 December 2017, any AWI granted to workers in each sector or company during the previous years shall be incorporated into their wages. The AWI to be granted as of 1 January 2018 shall be calculated on the new wage resulting from the aforementioned incorporation of the AWI into the wages (taking into account any further subsequent wage raises).
- In case there is no positive growth rate for the economy during the second (2nd) and third (3rd) trimester of any year to which the current agreement applies, the AWI shall be fixed at the point where it was granted and restart from the fixed point in case its payment conditions are fulfilled.
- During the period of validity of the agreement, in case the Consumer Price Index presents a negative change, wages shall not be cut due to the AWI, which only applies when the Consumer Price Index is on the increase.
- During the period of validity of this agreement, the social dialogue shall continue, for the purpose of achieving, upon the expiry of the agreement, a new adjustment for granting the AWI, based on the AWI philosophy, and social partners commit themselves to entering a constructive dialogue in order to strike an agreement.

After serious consideration and with a great sense of responsibility as regards the development and preservation of steady job positions, the CCCI decided to accept the proposal on the condition that the agreement is also signed by the Pancyprrian Public Servants' Trade Union. As a result of the acceptance of the agreement by the totality of the social partners (CCCI, Employers and Industrialists Federation, Cyprus Workers' Confederation, Pancyprrian Federation of Labour, Democratic Labour Federation), it was signed on 29 July 2017 in the presence of the Minister of Labour, Ms Zeta Emilianidou, and the Secretary General of the Pancyprrian Public Servants' Trade Union.

At the same time, the CCCI pointed out to the Minister of Labour that, during the social dialogue that will take place before the expiry of the transitional agreement, it will submit suggestions for effectively addressing the imperfections and side-effects of the AWI mechanism on the smooth operation of the market and the economy in general.

FOREIGN LABOUR WORKFORCE

During the period under review, the Ministry of Labour followed a very 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 specific posts should be examined, since it is common that unemployed persons are sent to posts 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, given that they receive persons unfit to meet their needs.

At the same time, the CCCI disagreed with the Minister of Labour's proposal that enterprises in Cyprus should be allowed to employ a maximum of 6 foreigners from third country companies for work or training purposes, since this would affect large companies employing staff for a specific period of time in order to cover their needs as they arise from time to time.

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.

ILLEGAL AND UNDECLARED WORK

The CCCI has repeatedly spoken out against illegal and undeclared work and, by extension, against any practices that upset the correct implementation of labour law. The CCCI supports 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 further reinforcing the monitoring and systematic supervision mechanisms.

Moreover, on the one hand undeclared work affects the revenue of the public sector and the Social Insurance Fund, while on the other hand it creates unfair competition to the detriment of law-abiding enterprises. During the period under review, a social dialogue was held on the bill of the Minister of Labour on

combating undeclared work, with which the CCCI expressed its disagreement due to the amount of the proposed fines.

Finally, the Parliament adopted amendments to the Law and the Regulations on Social Insurance in June. The Law and the Regulations provide for the imposition of severe penalties in cases of undeclared work as well as the modification of the notification procedure concerning the employee's commencement of employment.

The most important amendments to the Law are the following:

- In the event that an inspector detects a case of undeclared work of an employee, an administrative fine of €500 is imposed on the employer for each employee in relation to the month when the violation was detected, which increases by €500 for each calendar month or any part of the calendar month of the employer preceding the month in which the violation was detected.
- The total administrative fine imposed on an employer who employs up to 10 insured employees cannot exceed €10,000 for each case of a detected violation.
- In case the administrative fine is paid within 30 days, it is reduced by 30%, while in case of delayed payment it increases by €50 for each day of delay.
- It is presumed that the employee in relation to whom the violation was committed, was employed by the employer during the 6 months immediately preceding the day the violation was detected, earning wages equal to one and a half times the basic insurable earnings, unless the employer is able to prove that the employment period was shorter or the wages were lower.
- If an employer is fined twice within a period of two years, the case is referred to a Committee composed of the Social Insurance Services Director and two officers of the Ministry of Labour, Welfare and Social Insurance. The Committee is authorised to order the temporary suspension of the operation of the company or some of its departments for a period not exceeding 48 hours, by means of a reasoned decision and upon the agreement of the Minister.
- A person who is dissatisfied with any decision may within 15 from the notification of the decision lodge an objection to the Objections Committee – which is composed of the Director

General of the Ministry of Labour, Welfare and Social Insurance and 2 officers of the said Ministry, who are appointed by the Minister, and are hierarchically superior to the inspector who imposed the administrative fine – by referring to the grounds of the objection in writing and presenting all the necessary supporting data and documents.

At the same time, regulations have been adopted, which will enter into force at a date to be determined by the Council of Ministers. Until that date, the issuance of a certification of the commencement of employment will continue to be in force.

The CCCI will inform its members once these regulations are published.

CODE OF PRACTICE CONCERNING THE THERMAL DISTRESS OF WORKERS

With the CCCI's active participation and substantial suggestions, the implementation of the Code of Practice concerning the Thermal Distress of Workers has been made mandatory.

The Code contains guidelines for dealing with the thermal distress of workers working in indoor or outdoor sites.

The purpose of this Code of Practice is to assist employers and self-employed persons in implementing the legislative provisions in order to avoid or reduce to an acceptable level the risks of the exposure of workers to thermally charged working places and to create a safe and productive working environment.

According to the Code of Practice, the Department of Labour Inspection of the Ministry of Labour, Welfare and Social Insurance shall issue warnings when extreme heatwaves are expected. The warning shall mention that employers and self-employed persons are obliged to take all necessary measures based on their estimation of the risks, in order to protect their employees or themselves from the thermal load, without excluding the possibility of modifying the nature of work / resting / interrupting work.

CCCI SEMINAR ON SAFETY AND HEALTH

The CCCI continued its largely successful innovative training programme for Safety and Health at Work Officers. The programme had a duration of 5 weeks.

The seminar's principal objective was to provide information



Photo from the seminar for the training of health and safety at work officers

to the persons designated by their employees according to the 2002 Regulations on the Management of Safety and Health at Work as responsible for the actions taken for the prevention of and the protection against occupational hazards at work and for providing advisory assistance to employers on taking preventive and protective measures.

According to the 2002 Regulations on the Management of Safety and Health at Work, employers shall designate one or more employees as responsible for the actions taken for the prevention and the protection against occupational hazards related to their facilities, enterprise and/or premises and for providing advisory assistance to employers on taking preventive and protective measures. The designated employees must be sufficiently skilled, have the necessary means and be adequate in number, in order to be able to undertake the implementation of protective and preventive actions.

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, Welfare and Social Insurance, the Local Chambers and the European Business Support Centre of Cyprus, organised seminars that were attended by more than 250 persons, including enterprises' owners, managers and senior officials.

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



Photo from the seminar titled "Implementation of labour law and good labour practices in enterprises"

- the Social Insurance Law;
- the Termination of Employment Law;
- the Law on Preserving and Safeguarding Employees' Rights in the Event of Transfers of Undertakings, Businesses or Parts of Undertakings or Businesses;
- Organisation of Working Time Law;
- Providence Funds;
- the Annual Paid Leaves Law;
- parental leave and leave in cases of force majeure;
- sexual harassment in the workplace;
- law on collective redundancies;
- the Law on the Protection of Young People at Work;
- the Law on the Employers' Obligation to Inform Employees of the Terms Governing Their Employment Contract or Relation;
- personal data in labour relations;
- the Law on the Protection of Wages;
- the Law on Equal Treatment in Employment and Vocational Training;
- the Law on the Protection of Maternity;
- the Law on Temporary Agency Work;
- the Law on the Protection of Workers Posted to Perform Temporary Work; and
- the Law on Equal Pay for Equal Work or Equal Value Work;

SERVICES OFFERED BY THE 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, among others, the following services to a significant number of its members:

- examination and evaluation of labour requests and assistance during negotiations with trade unions;
- provision of advice for the appropriate resolution of everyday personnel issues emerging in the workplace;
- provision of advice related to the Termination of Employment, Social Insurance, Safety and Health, the Working Environment and the whole spectrum of labour law in general;
- organisation of training seminars;
- publication of brochures on labour matters; and
- assistance to member enterprises in claiming and obtaining permissions for the import of foreign workers.

What is more, the Department's personnel participated in TV and radio broadcasts and in various events, discussing current labour affairs.

PARTICIPATION IN THE CONFERENCE OF THE INTERNATIONAL LABOUR ORGANISATION

As every year, the CCCI participated in this year's Summit of the International Labour Conference of the International Labour Organisation as a member of the employers' delegation, which was held in Geneva from 5 until 16 June 2017.

The CCCI was represented at the Conference by Mr Emiliós Michael, Director of the Department of Industrial Relations, and Mr Panayiotis Panayi, Officer of the Department of Industrial Relations.

The main issues discussed at the Summit were:

- fundamental principles and rights at work;
- employment and decent work for the transition to peace; and
- labour migration.

The representatives of the CCCI actively participated in the discussions on the aforementioned issues and engaged in contacts with officials from the International Labour Office and delegations of foreign countries participating in the Summit regarding labour relations affairs.

Through its participation in these Summits and the contacts it establishes, the CCCI gains valuable experience and reinforces its knowledge concerning international practices on labour and social policy issues.



EDUCATION TRAINING



EDUCATIONAL ACTIVITY

The CCCI's educational activity continued in 2016, covering a wide range of subjects of business interest. In total, 40 programmes were organised in all the Cypriot cities.

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 2016 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:

- "Credit Policy and Credit Control" (Nicosia -twice);
- "Handling and Exploiting Customer Complaints" (Nicosia);
- "Training of Health and Safety Officers" (Nicosia -twice);
- "The Effective Management of Supply and Storage in Circumstances of Economic Reflection" (Nicosia -twice);
- "Letters of Guarantee -Use and Importance of Letters of Guarantee -When are They Issued and When are They Payable" (Nicosia, Limassol);
- "Proper Organisation and Good Management at the Office" (Nicosia -twice);
- "Utilising the Social Media for Marketing, Sales and Customer Service Purposes" (Nicosia);
- "Effective Publicising and Promotion of Products at Sale Points" (Nicosia);
- "The Implementation of Labour Law in Enterprises" (Nicosia - twice, Limassol);
- "Company Liability Insurances" (Nicosia);
- "Sales Strategy in Hard Times" (Nicosia);
- "Business Risk Management" (Nicosia);
- "Downsizing & Employee Engagement" (Nicosia);
- "Content Marketing and Online Reputation Management for Cyprus Small Enterprises" (Nicosia, Limassol);
- "Tactical Sales Initiatives and Online Marketing for the Cyprus Tourism Sector" (Limassol);
- "Strategy for the Survival and Growth of Family Businesses: The Management of the Crisis and the Transition to the Next Generation" (Nicosia, Paphos);

- "Sales Techniques in Times of Economic Recession" (Nicosia);
- "The Professional Secretary that Makes the Difference" (Nicosia);
- "Fundamental Human Resource Management Principles" (Nicosia);
- "First Aid at Work -Emergencies (EFAW)" (Nicosia);
- "Smart Ideas for Marketing Actions" (Nicosia);
- "Basic Labour Law and Enterprises" (Nicosia -three times, Limassol, Larnaca);
- "Practical Workshop on Credit Guarantee Issues" (Nicosia - twice, Limassol);
- "Financing Strategies and Methods for the Cyprus Food & Beverages Sector" (Nicosia); and
- "A Radical Low Cost Approach to Growing Your Business" (Nicosia).

PROFESSIONAL EXAMINATIONS

In February 2015, the Cyprus Chamber of Commerce and Industry entered into collaboration with the Cyprus Computer Society (CCS), which is the independent, non-profitable organisation of Cyprus's Informatics Professionals, for the purpose of promoting the European Computer Driving Licence (ECDL) among Cypriot enterprises.

The ECDL operates in 148 countries and is offered in 41 languages, practically contributing to the unimpeded movement of personnel having internationally recognised qualifications from country to country. Governments and international organisations, public and private sector organisations and enterprises and non-governmental organisations recognise it as the most reliable tool certifying digital skills at the international level.

The ECDL certification programmes cover all levels of experience and skills related to the use of computers, ranging from childhood at an introductory level to professionals at a specialised level. The modern, computerised examination system of ECDL Cyprus is objective and fair towards candidates, and is fully aligned with the European Directives and the national legislation concerning the provision of equal opportunities to succeed in exams to persons with special needs and abilities.

ANNUAL REPORT 2016-17

CYPRUS CHAMBER OF COMMERCE & INDUSTRY

In Cyprus, more than 200 Approved Education Examination Centres in all districts offer ECDL programmes.

The CCCI highly appreciates the prestige and credibility engendered by an internationally recognised examination such as the ECDL. Through this strategic collaboration, it looks forward to further promoting and strengthening the ECDL institution to the benefit of pupils, students, employees and unemployed candidates holding the ECDL certificate on the one hand, and enterprises and organisations adopting the ECDL for purposes of employing, certifying, educating and training their personnel on the other hand.

The adoption of the ECDL as proof of the new or current personnel's skills increases productivity and reduces the enterprises' training costs. This is why a growing number of enterprises recognise ECDL certificates.

The ECDL certificates also carry the CCCI's logo.

The decision taken in 2016 by the Council of Ministers at a relevant meeting concerning "The Materialisation of the National Coalition for Digital Jobs" for the introduction of the ECDL certification in secondary education on a voluntary basis was a significant development. As of the 2016-2017 school period, the ECDL examination is offered free of charge to junior high school students, covering four units (Wordprocessing, Spreadsheets, Presentations, Databases).

The CCCI and the CCS participated with their own stand in the educational fair entitled "Education and Career 2017", organised by the Ministry of Education and Culture with the collaboration of the CCCI, the CEIF and the European Office of Cyprus.



The signing of the agreement between the CCCI and the Egyptian Businessmen's Association



Meeting of a CCCI delegation with the Chamber of Commerce and Industry of the Russian Federation in Moscow



INFORMATION



The Cyprus Chamber of Commerce and Industry regularly and constantly updates its information provision system, on the understanding that the success of entrepreneurial activity is largely based on the prompt provision of accurate business information.

In this context, the CCCI offers several information services concerning European Union affairs, the latest business developments in Cyprus and abroad, while it participates in European projects and promotes business collaborations as well as Cypriot products and services abroad. 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 6,000 entries and is a unique source of information that includes the full details of the areas of activity and communication data of Cypriot enterprises. It also contains data related to governmental departments, semi-public organisations, foreign chambers and public and private organisations in Cyprus and abroad. The data bank containing the members' details is linked to the CCCI website (www.ccci.org.cy).

CCCI TRADE LIBRARY

Due to the advancement of technology, the CCCI library principally contains commercial guides from various countries in electronic form. The guides include data related to the enterprises of these countries, including their contact details.

There is also an area dedicated to archival material, which includes, among others, the Cyprus Government Official Gazette from 1923 to date, the CCCI's old editions and the Treaties establishing the EU. Furthermore, the publications of the World Trade Organisation and other periodical business editions are available to the public.

INDIVIDUAL BRIEFING – TRADE ENQUIRIES

The individual briefing of both Cypriot and foreign entrepreneurs aims at providing them with all the information they need, which mainly concerns business collaborations. Due to the flexibility of the Chamber's information system, the collaboration interests concerning the promotion of commercial transactions of Cypriot enterprises with foreigners are served both in Cyprus and abroad.

CCCI WEBSITE

The CCCI website provides comprehensive information about the CCCI's services and activities to its hundreds of visitors from Cyprus and abroad. It includes an updated directory of its members with information regarding their area of activity and their full contact details. It also provides prompt information on the country's economic affairs, information on European programmes in which the CCCI participates and information on trade missions, events, fairs and seminars in Cyprus and abroad.

EUROPEAN BUSINESS SUPPORT CENTRE CYPRUS

The European Business Support Network of Cyprus constitutes the national point of contact of the "Enterprise Europe Network" (<http://een.ec.europa.eu/>) and is comprised of the Cyprus Chamber of Commerce and Industry (CCCI), the European Office of Cyprus and the Research Promotion Foundation (RPF), which has a coordinating role.



It is a mechanism for the provision of information and advisory services aiming at enhancing European small and medium-sized enterprises' (SMEs) competitiveness and innovation. It is co-funded by the European Commission in the context of the programme for the competitiveness of enterprises and SMEs for 2014-2020 (COSME), and for this reason the services offered are free of charge.

The Enterprise Europe Network is the largest SME support network in the world and is represented in 67 countries: the 28 EU member states and Albania, Argentina, Armenia, Belarus, Bosnia Herzegovina, Brazil, Cameroon, Canada, Chile, China, Egypt, Georgia, Iceland, India, Indonesia, Israel, Japan, Jordan, FYROM, Mexico, Moldavia, Montenegro, New Zealand, Nigeria, Norway, Paraguay, Peru, Russia, Serbia, Singapore, South Korea, Switzerland, Taiwan, Tunisia, Turkey, Ukraine, United States, Vietnam and Qatar.

The main services offered by the Cypriot Centre to SMEs are the following:

- search of foreign reliable business partners for representing/distributing Cypriot products abroad, importing/representing new products to the Cypriot market, providing services and using new technology for the development of innovative products and services;

- arrangement of meetings (B2B) abroad aimed at entering into business and technological collaborations;
- supporting the extroversion and internationalisation of Cypriot enterprises through creating and promoting their business profiles;
- providing information and guidance regarding European and national programmes funding opportunities;
- informing about European legislation and standards;
- advising on business activities in other countries (legal requirements, foreign market information);
- providing support on strategic planning, innovation management and technology transfer issues;
- providing guidance on business development;
- encouraging the participation of Cypriot SMEs in research projects funded by the EU;
- conducting EU public deliberations aimed at collecting views regarding specific Community laws that will be introduced or amended, in order to reduce bureaucracy and improve the legislative framework to the enterprises' benefit; and
- advising on intellectual property issues.

In specific, during the 2016-2017 period, 10 local information events on EU affairs were held, which were attended by more than 365 enterprises. More than 300 specialised queries posed by enterprises were responded to, which concerned financing, finding business collaborators, legal practices in other countries, VAT procedures, complex administrative procedures and commercial disputes. The Centre contributed to the organisation of 3 business meetings in the context of business missions from and to Cyprus. 17 Cypriot enterprises' new company profiles were created for their promotion abroad, which resulted in 2 business agreements.

Finally, 31 on-site visits were made across Cyprus, in order to promote the services offered by the Centre to local enterprises.

EUROPEAN UNION DATA BANKS

The European Union Data Banks consist of the official EU websites, whose purpose is to provide the best possible service to the business community and to facilitate trade. The CCCI has gathered the most important electronic sources for the purpose of serving Cypriot enterprises. Specifically:

TED

The TED website is the supplement 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 service providing information about the developments in the field of Research, Technological Development and Innovation (<http://cordis.europa.eu>).

EU WHO IS WHO

This 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>).

CURIA

The CURIA website is the database of the Court of Justice of the European Communities. The electronic version of the Court's texts is available free of charge on the internet for information purposes. These texts are 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-LEX

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

LEGISLATIVE OBSERVATORY (OEIL)

This is a database 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.europa.eu/oeil>).

PRELEX

This is a database of inter-institutional procedures, providing 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>). (<http://ec.europa.eu/prelex>).

EUROSTAT

The European Statistical Service provides statistics concerning European countries. Eurostat covers various EU fields such as the economy, trade, population, research etc. (<http://epp.eurostat.ec.europa.eu>).

MARKET ACCESS DATABASE

It provides information concerning the conduct of trade between the EU and third countries. Access to the Sectoral and Trade Barriers Database, SPS Database, Statistics and Studies sections is free. Access to the Exporter's Guide and Applied Tariffs sections is restricted to visitors from member countries (<http://madb.europa.eu>).

TAXATION AND CUSTOMS UNIONS DATABASES

This database is comprised of the customs services of the EU member states (http://ec.europa.eu/taxation_customs).

PARTICIPATION OF THE CCCI IN EUROPEAN PROGRAMMES

During the period under review, the CCCI successfully participated in various projects that were co-funded by the European Union.

- **Investing in sustainable blue growth and competitiveness through 3-Pillar Business Model (3-PBM) iBlue**

The CCCI participates as a partner in the new project iBlue, which is co-funded by the European Commission in the context of the Priority Axis "Promoting Mediterranean Innovation Capacities to develop smart and sustainable growth" of the Inter-reg MED 2014-2020 programme.

The project's objective is the sustainable development of the shipping sector and, specifically of recreational craft (construction, relevant services, tourism), with its ultimate goal being the creation of a cross-border Mediterranean network that will support the sector's sustainable development through the incorporation of the 3 pillars of sustainability (environmental, social, economic).

The project's activities were launched in March 2016 and it is expected to have a duration of 3 years.

- **MENTOR- Blue Career Centre of Eastern Mediterranean and Black Sea**

Another new European project to which the CCCI participates as a partner is Blue Career Centre of Eastern Mediterranean and Black Sea, bearing the acronym MENTOR. This project aspires to create a Blue Career Centre, while it aims to attract young people and experienced workers, and through guiding actions contribute to fill existing skills' gaps in four important sectors of blue development in the region of the Eastern Mediterranean and the Black Sea: maritime transport (shipping, ports, ship-repairs and shipbuilding), cruise and nautical tourism, aquaculture and offshore oil and gas. At the same time, MENTOR seeks to inform young persons searching for a job in the above sectors about the prospects opening up and also to support relevant enterprises in finding the right staff with proper qualifications.

The project, which was launched in March 2017, has a duration of two years. The Cyprus Oceanography Centre of the University of Cyprus acts as the coordinating partner, while 6 more partners from Cyprus, Greece, Bulgaria and Romania participate: the Maritime Institute of Eastern Mediterranean (Mar.In.E.M.), the Cyprus Chamber of Commerce and Industry (CCCI), the National Technical University of Athens (NTUA), the Marine Cluster Bulgaria (MCB) and the Constanza Maritime University (CMU, Romania).

The project's first inter-state meeting was held in March 2017 in Athens. During the period gone by, a survey was conducted for the purpose of tracking down the trends and current needs of the above blue economy sectors.

- **Support for small and medium-sized enterprises engaging in apprenticeships: apprenticeship coaches for SMEs (AC4SME)**

The CCCI, along with 18 European Chambers and with Eurochambers acting as the head partner, participates in the Apprenticeship Coaches for SMEs -AC4SME project.

The goal of this project is to engage more SMEs in the apprenticeship system, through developing and training a network of apprenticeship advisors at Europe's Chambers of Commerce, providing them at the same time with the appropriate tools in order to be able to support SMEs by enabling them to offer quality apprenticeship opportunities in the future. Unfortunately, while SMEs constitute 2/3 of the private sector employers in Europe, it is more difficult for these enterprises to accept trainees in the context of the apprenticeship system than it is for large enterprises.

In mid-2017, CCCI officers travelled to Austria, where they had

the opportunity to study and become acquainted with successful apprenticeship models that are in place in that country.

- **Preventing business failure and insolvency (PRESOLVE)**

The activities of the PRESOLVE project are developing smoothly. Besides the CCCI, 14 other European Chambers participated in the project, with the Eurochambers acting as the head partner.

The project's objective is to provide support to natural or legal persons facing difficulties in relation to their business activities and being considered insolvent or heading towards insolvency. This support will be provided through qualified advisors of the Chambers, which will have at their disposal various diagnostic and other tools for dealing with these difficulties. The tools will be developed on the basis of the successful model utilised by the Chamber of Brussels, while they will be translated and publicised by the project's partners in each country. During the period under review, officers from the CCCI travelled to France, where they received training and information concerning the various diagnostic tools and the tools for dealing with business difficulties.

- **Growing Entrepreneurship Across Regions (GEAR)**

The Growing Entrepreneurship Across Regions (GEAR) project is materialised in the context of the ERASMUS for Young Entrepreneurs programme, which is a pan-European programme of young entrepreneurs mobility, aiming at improving entrepreneurship, internationalisation and competitiveness in SMEs, as well as networking Europe's young entrepreneurs.

Experienced and inexperienced entrepreneurs participate in the project, whose goal is the transfer of knowledge and experiences (from host entrepreneurs to new entrepreneurs and vice versa), thus transferring innovative ideas and creating opportunities such as successful collaborations, the expansion of enterprises' activities in other countries, the finding of new solutions, the enterprises' upgrading etc.

At the moment, 12 experienced Cypriot entrepreneurs are hosting young entrepreneurs from abroad, while 5 young Cypriot entrepreneurs are being hosted in several European countries.

- **EUPA_NEXT – Validation of formal, non-formal and informal learning: The case study of Administration**

The materialisation of the EUPA_NEXT – “Validation of formal, non-formal and informal learning: The case study of Administration” continues. The 2nd inter-state meeting of the partners

was held in Larissa (13-14/04/16), while the 3rd meeting was held in Bratislava (20-21/10/2016). This project is materialised in the context of the Erasmus+ (KA2, Strategic Partnership, Partnerships for Innovation and Exchange of Good Practices in the VET Sector) programme, with the MMC Mediterranean Management Centre company acting as the head partner and the CCCI and the Cyprus Certification Company acting as the Cypriot partners, with the rest of the partners coming from Slovakia, Spain, France, Germany and Greece. The project has a duration of 3 years and is expected to be completed in August 2018.

The EUPA_NEXT is the continuation of the very successful EUPA (Leonardo da Vinci) programme, whose materialisation resulted in the establishment of a professional qualifications framework for administrative staff in four levels of the EQF (levels 2, 3, 4 and 5), as well as in the creation of an evaluation tool and training material for level 2. The EUPA_NEXT project aims at granting credit points within the professional qualifications framework (levels 3-5) through the use of ECVET and at developing study programmes and training material for instructors for the same levels, as well as electronic books for the trainees. EUPA_NEXT will certify all the materials of the study and training programmes through ISO. Furthermore, it aims at developing an accredited evaluation system for levels 2, 3, 4 and 5. The evaluation system will be certified through ISO, with the relatively new ISO17024 standard, which certifies personal skills.

During the period under review, a survey was conducted on granting credit points in the context of professional qualifications (levels 3-5) through the use of ECVET, while study programmes and training material for instructors for the aforementioned levels were developed.

- **National Authorities For Apprenticeship: Companies as Sustainable Partners for Apprenticeship in Greece and Cyprus (NAA-GR-CY)**

On February 2017 the activities of the National Authorities for Apprenticeship: Companies as Sustainable Partners for Apprenticeship in Greece and Cyprus project were completed. The project's principal objective was to encourage enterprises in Greece and Cyprus to actively participate in training programmes, offering quality apprenticeships. This was achieved through the provision of specific guidelines and methodology related to the development of training regulations in enterprises, the collaboration of schools and enterprises, the training of instructors, the conditions for the provision of training by enterprises and the examination and certification procedures. In

this way, an apprenticeship network is created, which will reinforce the links between apprentices and enterprises, but also between enterprises and professional apprenticeship schools. The project was implemented on a pilot basis, in the occupations of car mechanics and cooks in Greece and in the occupations of car mechanics and hair dressers in Cyprus.

In September 2016 the CCCI hosted the 3rd Inter-State Meeting of the Projects' Partners at its facilities, while at the same time it organised the 3rd workshop entitled "Pilot Implementation of the Apprentices' Training Programme in Enterprises". The project's completion was preceded by the 4th Inter-State Meeting of the Partners and the Final Conference on the Dissemination of Results in Thessaloniki, in February 2017.

• **Leading by Example**

The three-year period of the materialisation of the activities of the Leading by Example project came to an end. The project was co-funded by the European Commission –DG EuropeAid, which is responsible for the EU's development policy and external aid, and was carried out with the participation of the Turkish Cypriot Chamber of Commerce (KTTO) and the CCCI.

The project's aim was to reinforce dialogue, confidence, co-operation and reconciliation between the citizens of the two communities in Cyprus, including the business people. It also aspired to increase the participation of civil society in the decision-making procedures at a political level.

During the period under review, various events were organised in the context of a series of confidence-building measures between the Greek Cypriot and the Turkish Cypriot community. Specifically, the second stage of the "Internships in the other Community" programme was completed with absolute success. During the closing ceremony, the successful placements of a total of 40 young unemployed persons in 31 companies in the Greek Cypriot and the Turkish Cypriot community were presented. Moreover, a bicomunal workshop on start-ups was held and bicomunal films were screened. In the context of the project, short bicomunal films titled "Cyprus: Our Island, Our Future" were produced and screened for the first time. The short films series revolve around five specific themes: unemployment, common projects, tourism, shipping and start-ups.

- Designing and Testing new management skills for the development of the Waste Electrical and Electronic Equipment Recycling and Re-Use system in Europe (EwasteR)

The general goal of the European co-funded EwasteR project is to create and materialise a new, high-quality multidisciplinary education and training programme in the sector of recycling



and re-using electrical and electronic waste in Europe, highlighting the need for specialised and appropriately trained personnel in a new and crucial sector of viable development. The project is materialised by thirteen organisations in four different countries (Italy, United Kingdom, Poland, Cyprus) and aims at: (1) determining the basic needs and requirements, as well as learning results (knowledge, skills, competences) in the field of recycling and re-using electrical and electronic waste; (2) creating a new professional qualification in this sector according to European quality standards; and (3) developing a new professional education and training programme leading to the obtainment of this qualification through innovative teaching methods such as open source learning, virtual mobility, lab shadowing etc.

A pilot 160-hour education and training programme was carried out in the context of the project, with the participation of 14 trainees. The trainees had the opportunity to learn about the legislation in force, attend specialised presentations by experts and visit all the units conducting activities in the electrical and electronic waste recycling sector.

The EwasteR is expected to be completed in January 2018.

• **STS-MED (Small Scale Solar Units for Mediterranean Communities)**

The activities of the STS-MED project were successfully completed in October 2016. The project was co-funded by the ENPI CBC Mediterranean Sea Basin Programme for 2007-2013 and concerned the reinforcement of concentrated solar power technologies. It had a duration of 48 months.

Comprised of 14 organisations from 6 countries (4 European countries and 2 Middle Eastern countries), not only from the academic sphere, but also from the public and the private sector, the STS-MED partners carried out activities in the development, application and diffusion of this pioneering technology aiming at improving energy efficiency in public buildings. The project deployed 4 demonstrative plants in Cyprus, Italy, Egypt and Jordan for a total power of 400 kW based on concentrated solar power through the use of the linear Fresnel innovative solar

power system, aiming at serving the energy demand of 20,000 end users coming from 20 Mediterranean local communities. The linear Fresnel system installed at the facilities of the Cyprus Institute collects solar energy through several rows of mirrors that continuously track the sun's path and channel the collected heat to a cooling device. The system is classified as a 'Nearly Zero Energy Building' (NZEB), which is the first of its kind in Cyprus.

The CCCI's role in this technical project consisted in promoting through various means the application of innovative technologies in Cyprus and also in creating 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 power field. In this context, the Cyprus Institute, in collaboration with the CCCI, organised several events and educational workshops for presenting the aforementioned technology and systems, providing technical knowledge on the concentrated solar power field and informing on the latest relevant technological advances.

- In addition to the aforementioned European projects, three new projects were approved in mid-2017, which are expected to launch their activities in 2017 or in early 2018. Specifically, one of the projects bears the title **GO BRAND** and will be co-funded by the Greece-Cyprus Interreg V-A Cooperation Programme. It is worth noting that the CCCI will act as the head partner in this project. The other projects, titled **FOCUS** and **INNOVENTER**, will be materialised in the context of the Balkan-Mediterranean Interreg Cooperation Programme 2014-2020.

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 issues of international trade, transports, commercial law, banking and insurance procedures, as well as other fields of modern trade. Besides the traditional printed books, e-books are also made available by the publishing house, which are delivered within just a few minutes to the interested persons' computers.



The publication material of the ICC results from the proceedings of its Committees, which are composed 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 in trade and banking practices. The most well-known publications of the ICC are the URDG (Uniform Rules for Demand Guarantees) and Incoterms, which have 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, market research, legal texts, agreements etc. It is worth mentioning that the World Trade Organisation has named 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 its exceptionally important material to the greatest possible extent.

UNITED NATIONS (UN) PUBLICATIONS

The CCCI, being the exclusive distributor of UN publications in Cyprus, is in the position to provide them to local enterprises upon request. These publications mainly cover economic, legal and environmental matters, as well as political and social science issues.



PUBLIC RELATIONS & COMMUNICATION



The Public Relations & Communication Office of the CCCI is responsible for the Chamber's communication with the mass media, for the purpose of better promoting its views.

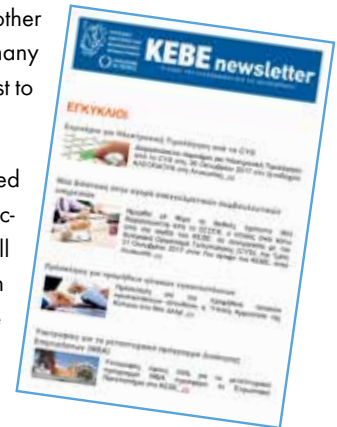
The Public Relations & Communication Office is responsible for:

- drafting press releases and announcements on various topical issues and forwarding them to the mass media;
- participating in the organisation and coordination of conferences or events of the CCCI;
- participating in the organisation and coordination of the Annual General Meeting of the CCCI;
- managing the CCCI's websites and Newsletter;
- managing the CCCI's social media (Facebook, Twitter, YouTube), in order to better promote its views;
- coordinating with all the CCCI's departments for the dissemination of the announcements and activities of the Professional Associations to the mass media; and
- handling the CCCI's public relations with foreign representatives and official visitors in the context of business missions and fora.

"CCCI NEWS" Website AND ELECTRONIC "CCCI Newsletter"

The CCCI runs a modern and technologically upgraded website titled "CCCI News" <http://news.ccci.org.cy>, which presents current economic developments, the CCCI's press releases and circulars, the missions, seminars and other events organised by it and many other useful information of interest to its members.

The electronic Newsletter titled "CCCI Newsletter" is sent electronically on a daily basis to all its members, while subscription is open to anyone wishing to be informed about issues that are related and of interest to enterprises, as well as the CCCI's activities.





LOCAL CCIS



During 2016, the five Local Chambers of Commerce and Industry (Nicosia, Limassol, Famagusta, Larnaca and Paphos) developed multi-fold activities, always with a view to best serving their members and promoting in a well intentioned manner the development and other needs of their districts.

The provision of a variety of services to their members was of course the top priority of the Local CCI's, which, once again, successfully addressed their members' problems and promoted their requests at a collective, sectoral and even company level. The activities in support of their members that took place in 2016 included presentations and seminars, business networking events as well as targeted visits abroad, aiming to promote business collaborations with cities abroad having common characteristics with corresponding Cypriot cities. It is worth noting that the Local CCI's participated more actively in European programmes, thus offering more comprehensive and specialised services to their members.

The presence of Local CCI's in their districts' everyday development process was strongly felt, both through their immediate interventions (including submitting memorandums) in support of specific projects and initiatives and mainly through the active participation of Chambers' officials in local committees, institu-

tionalised or not, which deal with issues such as local planning, employment and labour relations in general.

Once again, in 2016 the constant contact of Local CCI's with the development reality of their districts consisted in their substantial participation – by holding Chairman's or other officials' posts – in the Regional Tourism Development and Promotion Companies, which are spearheading the promotion of our country's tourism product. Furthermore, the Chambers had a strong presence in the district development companies, which, supported by European Community initiatives such as the LEADER project, have decisively contributed to the radical transformation of the Cypriot countryside and supported entrepreneurship and employment in these rural areas.

Besides the issues of a purely local/regional interest, through their substantial participation in the CCCI's collective bodies, the Local CCI's significantly contributed to the discussions and shaping of the CCCI's wider policy, always aiming at supporting entrepreneurship and our country's economic development in general.



PROFESSIONAL ASSOCIATIONS



ANNUAL REPORT 2016-17

CYPRUS CHAMBER OF COMMERCE & INDUSTRY

Today, 148 Professional Associations operate under the umbrella of the CCCI, covering the whole range of Cypriot economy and constituting an integral part of the CCCI's operation.

They play a particularly important role in shaping the CCCI's policy, particularly on issues of specialised interest.

The Associations, supported by the CCCI when necessary, continued to successfully promote their members' positions, views and interests and enjoyed full recognition by the state, which is proven by their participation in parliamentary committees, working groups, technical and advisory committees and other organisations and institutions.

The CCCI's Supreme Advisory Body is made up of the totality of the Professional Associations operating under its umbrella and holds meetings when it is necessary to take decisions on issues of major importance.

In the context of its support of the smooth operation of the Associations, the CCCI offers them secretarial and specialised services.

The list of the Associations operating under the umbrella of the CCCI per area of activity is published at the end of the Annual Report.



INTERNATIONAL ORGANISATIONS OF COOPERATION





EUROCHAMBERS

The CCCI is a full member of Eurochambres, the par excellence European Chamber Organisation, representing the Cypriot Chambers. During the period under review, the CCCI continued to participate in Eurochambres' activities and administrative bodies, while the CCCI's representatives continued to contribute to the shaping of Eurochambres' policies and positions on various matters arising from or related to the *acquis communautaire*, having an impact on enterprises and business activities in general.

Specifically, the CCCI participated in the meetings of the General Assembly and the Board of Directors, and also in the work of specialised bodies and committees of Eurochambres, such as the ones dealing with the single market, SMEs and entrepreneurship, education and training, financial issues and the economy, energy and environment, smart regulation, enlargement and neighbouring countries, human resources, the Enterprise Europe network etc., expressing the views and positions of Cyprus's business community on the issues under discussion.

The CCCI also participated in the 4th summit of the European Parliament of Enterprises organised by Eurochambres. The summit is the largest gathering of European, national, regional and local Chambers, with the participation of enterprises, offering a unique opportunity to its attendants to participate in the public debate and discuss about the main problems faced by enterprises at a European level. More than 700 participants attended the fourth summit.

The policy on trade and single market issues, the Brexit and its consequences, the rules of origin, the issue of delayed payments, access to funding, renewable sources of energy, vocational education and training, unemployment and entrepreneurship were among the topics discussed.

The Vice-President of the European Parliament, Mr Antonio Tajani, and the European Commissioner for Jobs, Growth, Investments and Competitiveness, Mr Jyrki Katainen, were key note speakers in the summit.

The participation of the CCCI in a large number of deliberations conducted by Eurochambres among its members in 2016 was particularly important, jointly formulating in this manner the views and positions of Eurochambres on a multitude of issues mainly arising

from the *acquis communautaire*. These positions are submitted to the European Commission and help towards the shaping of European policies and legislation. Such issues included the proposal for distance selling and tangible products, the initiative on start-ups, the proposal for a directive concerning disclosure of income tax information of certain undertakings and branches, the passport for the provision of services, geographical barriers to internet sales within the EU, the Directive on Consumer Rights and the burden on enterprises, the agenda for new skills, the proposal for the revision of the Blue Card Directive (for the reinforcement of the EU's framework on the migration of highly skilled professionals from third countries), the Single Digital Gateway, the revision of the definition of SMEs, the implementation of the Regulation on State Aid to Ports, the proposal for a directive concerning the European services e-card, the proposal for a directive laying down a notification procedure for authorisation schemes and requirements related to services, the VAT system in the EU, the Capital Markets Union, Brexit, the quality framework for apprenticeships, the package of services, the common (consolidated) corporate tax base and the evaluation of the COSME programme, which concerns SMEs. The CCCI continued to communicate Eurochambres' views and positions on specific matters to its members and to the executive authorities in Cyprus, often urging our representatives at the various bodies and meetings of the European Commission to take these views seriously.

At the same time, the CCCI participated in numerous surveys conducted by Eurochambres among its members concerning the Chambers' activities in relation to the SMEs' access to funding, entrepreneurship, the collaboration between enterprises and higher education institutions, the Chambers' digitalisation, Brexit, sales contract, the examination of investments, the separation of contracts etc. Moreover, the CCCI contributed to the determination of the priorities of the Eurochambres' Committees, the shaping of the Eurochambres' proposal concerning the establishment of a European Pillar of Entrepreneurial Rights, the drafting of a document on the strategic vision for the Enterprise Europe Network and the updating of the Eurochambres' publication on the various chamber systems in Europe.

It is further worth mentioning that, during the period under review, a joint meeting of the CCCI and the Turkish Cypriot Chamber of Commerce was held in Brussels, upon invitation and under the auspices of Eurochambres, concerning the implementation of the *acquis communautaire* by the Turkish Cypriot community and the ways in which the CCCI could offer its support.

Moreover, the CCCI participated once more in the large-scale pan-European Economic Survey of Eurochambres concerning the

ANNUAL REPORT 2016-17

CYPRUS CHAMBER OF COMMERCE & INDUSTRY

business climate in Europe, which is conducted every year with the participation of the European Chambers. The findings on Cyprus (where the survey was conducted by the CCCI) demonstrated increased optimism for 2017, confirming the economy's ongoing recovery from the economic crisis of the recent past.

Information on the European programmes led by Eurochambers in which the CCCI participates, as well as all the programmes in which the CCCI participates, is provided in the Annual Report's section entitled "Information". Finally, during the period under review, the CCCI showed a keen interest in participating in proposals the Eurochambers intend to submit in relation to the EU's Mediterranean policy.



INTERNATIONAL CHAMBER OF COMMERCE (ICC)

During the period under review, the Cyprus National Committee continued to actively participate in the administrative bodies and the activities of the International Chamber of Commerce (ICC).

The International Chamber of Commerce, with a history of over 100 years, represents the business community at a worldwide level, promoting its positions and views 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 G7 and G20 Summits, as well as to all the regional organisations of Latin America, the Far East, Southeast Asia, South Africa, the Africa etc.

For the materialisation of its goals, the ICC counts on the knowledge and experience of its 11 Commissions covering a wide range of aspects of the economy such as arbitration, banking, the environment, taxation etc. The Commissions deal with the issues of their concern, draw up policy, including the positions contributing to inter-governmental discussions, and draft rules and codes facilitating international transactions. The Cyprus National Committee closely monitors the Commission's work and informs the Cypriot business community accordingly.

The ICC Banking Commission is among the most important ones. Among other activities, it establishes the internationally accepted rules and guidelines governing banking practices concerning the operation of trade, such as INCOTERMS, UCPs, URDG etc.

The Banking Commission's annual conference, which is held with the participation of more than 600 persons and more than 100 countries, is a highly significant event. These conferences bring together senior bank executives, business leaders, law professionals and government officials from all over the world, providing a unique platform for the exchange of ideas and views regarding the opportunities and challenges of the business and banking community. Through its representatives, the Cyprus National Committee consistently participates both in the annual conferences and the regular meetings of the Commission, thus promoting the Cyprus's banking system and its economy in general.

Besides providing information to the business people, the main activities of the Cyprus National Committee during the period under review consisted in commercial arbitrations, the members' training in rules and guidelines matters and the promotion of the ICC's valuable publications concerning rules, guidelines, standards, directives and good practices on a wide range of business issues, guaranteeing the proper conduct of international business activities.



ASSOCIATION OF THE MEDITERRANEAN CHAMBERS OF COMMERCE AND INDUSTRY (ASCAME)

The CCCI is a full member of the Association of Mediterranean Chambers, which represents Mediterranean Chambers, and, during the period under review, it continued to participate in its activities and the meetings of its administrative bodies (General Assembly and Executive Committee). The CCCI is represented and participates in the activities of the Association's specialised Committees dealing with tourism, international relations, innovation and communication and information technologies, women's and youth entrepreneurship, the supply chain, transports and investments, energy, education and training, trade, industry, the environment and climate change, communicating the positions and views of Cyprus's business people on the various issues under discussion.

The organisation of the EUROMED Invest Academy, mainly focused on the role of women in business organisations, the Mediterranean Franchise Fair, the Mediterranean Week of Economic Leaders and the Mediterranean Tourism Forum were among the most important

activities of the Association.

Finally, the CCCI participated in the Association's selection procedure of project proposals to be submitted under the Euro-Mediterranean programmes.



ASSOCIATION OF BALKAN CHAMBERS (ABC)

The principal goal of this Association, of which the CCCI is a full member representing Cypriot Chambers, is to promote business cooperation between Balkan countries as well as with the broader European area.

During the period under review, the CCCI continued to participate in the work of the General Assembly and in the activities of the Association in general.

Special mention should be made to the General Assembly held in Bucharest, which included a discussion on ways for further improving collaboration between the Association's Chambers, the presentation of a comparative study on the operation framework of the Association's member Chambers, the exchange of good practices, a discussion on the need to integrate the Balkans into the EU and a reminder that it is necessary to take joint action in order to create the right economic environment that will be able to benefit from European funds and programmes. The Balkan Chambers also made a commitment to intensify their support of the development and internationalisation of SMEs, which comprise the majority of their members, and promote issues of common interest to Eurochambers, in order to include them in Eurochambers' priorities.

Furthermore, the relations between the CCCI and the Balkan countries' Chambers continued to be promoted at a bilateral level, through exploiting, among other things, the potential provided by the bilateral Business Associations with Balkan countries operating under the auspices of the CCCI.

At the same time, the CCCI provided the Association with information concerning the manner of operation and the structure of Cypriot Chambers, which was included in the comparative study on the operation framework of the member Chambers of the Association.



EUROPEAN ASSOCIATION OF SMALL AND MEDIUM-SIZED ENTERPRISES (UEAPME)

The CCCI is a full member of the European Association of SMEs, representing Cypriot SMEs. The CCCI continued to actively participate in UEAPME'S activities during the period under review. 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 European Social Partners' positions and views that are submitted to the Commission.

Specifically, the CCCI participated in the work of the General Assembly, the Board of Directors of UEAPME as well as in the work of specialised committees and working groups dealing with issues such as entrepreneurship, training, social affairs, sustainable development, economic and fiscal matters, the financing of SMEs, research, development and innovation, taxation, digital economy, regional policy etc.

During the period under review, the CCCI participated in a considerable number of deliberations that shaped the Association's positions on issues such as undeclared work, the EU Pillar of Social Rights, the feedback given to SEMs in relation to loan application rejections, the Blue Card (for the reinforcement of the EU's framework on the migration of highly skilled professionals from third countries), chemical products, energy efficiency, the Regulation for the Mutual Recognition of Products, the EU insolvency framework, internet sales of digital content, the passport for the provision of services, consumer legislation, the EU's Action Plan on VAT, the strengthening of the capacity of social partners, the skills agenda and the skills guarantees, the single market information tool, geographical barriers to internet sales within the EU, the Europass CV, the posting of workers, the Directive on Insolvency, working hours, safety and health at work, VAT in e-commerce, the Renewable Energy Directive, the proposal for a regulation concerning the European services e-card, the proposal for a directive laying down a notification procedure for authorisation schemes and requirements related to services, basic skills, work experience schemes for young people in Europe, racial challenges in the EU's education systems, the feedback given by banks to SMEs, skills and immigration, trust services for electronic transactions, the VAT scheme for small enterprises, the EU cohesion policy after 2020, the single market digital strategy and the single digital gateway. The CCCI also participated in the drafting of a joint

announcement with other European organisations concerning an ambitious research and innovation programme in the EU.

UEAPME's views on the aforementioned issues are submitted to the European Commission, thus contributing to the formulation of the corresponding policies, since the Association is a statutory social partner of the European Commission. During the period under review, the CCCI continued to communicate UEAPME's views and positions on specific matters to its members and to the executive authorities in Cyprus, often urging our representatives at the various bodies and meetings of the European Commission to take these views seriously.

The CCCI also participated in numerous surveys-communications conducted by UEAPME among its members concerning, among other issues, the arrangements for maternity in member states, the operational restructuring of retail trade, good practices in relation to digital skills, the European semester procedures, the implementation of reforms, the national reports and recommendations of the European Commission, the Association's priorities for 2017 and the degree of satisfaction with its services, electronic platforms users, the tool for the skills profile of third country nationals, the effect of the proposal concerning tangible products in non-electronic sales and the national SME impact test.

The CCCI further participated for the sixth consecutive year in the Association's special barometer for SMEs through conducting a national survey and providing data concerning the business climate as experienced by Cypriot SMEs.



EUROCOMMERCE

The CCCI is a member of Eurocommerce, representing Cyprus's commerce sector in this organisation, which represents the national commerce organisations of the European countries at a pan-European level. The CCCI continued to actively participate in Eurocommerce's activities during the period under review.

Specifically, the CCCI participates in the work of the Organisation's General Assembly and Board of Directors, as well as in the work of specialised committees dealing with issues such as international trade, SMEs and the policy for enterprises, employment and social

affairs, social dialogue, the single market, the environment, payment systems, consumer rights, corporate social responsibility, taxation, the supply chain, the plan of action for retail trade, food safety and nutrition.

At the same time, the CCCI participated in a large number of deliberations of Eurocommerce through submitting the positions and views of the Cypriot business people on issues such as trade relations between the EU-Turkey, European social dialogue, the sectoral activities of the International Labour Organisation, the balance between working and family life, the single digital gateway, the EU Pillar on Social Rights, the trading of dual use products, the accessibility of persons with disabilities, the Working Time Directive, the quality framework for apprenticeships, Brexit etc. In this manner, the CCCI contributes towards the formulation of the views submitted by Eurocommerce to the European Commission.

In addition, the CCCI continued to communicate Eurocommerce's positions and views to its members and the Cypriot executive authorities.

The CCCI also took part in various surveys conducted by Eurocommerce among its members concerning the Recommendations of the European Commission to member states in the context of the European semester, the shops' working hours at the national level, the Eurocommerce's priorities and several other issues.

EUROPEAN CYBER SECURITY ORGANISATION (ECSO)

Aware of the huge cyber threats faced by enterprises, the CCCI decided to become actively involved in ECSO (European Cyber Security Organisation), in order to be in a position to keep the Cypriot business community informed not only about the threats, but also about ways to cope with cyberattacks. In light of the above, the CCCI participated as a founding member in the constituent assembly of ECSO, the first strategic alliance for cybersecurity, which took place in 2016. Through the CCCI's participation in ECSO's activities, Cypriot enterprises, research and academic institutions will have the opportunity to become actively involved in "Horizon 2020" programmes on cybersecurity issues.

Following the above initiative, the threats and solutions related to cyberattacks were analysed in a conference titled "How Safe is Your Business", which was organised by the CCCI and the Cyprus Neuroscience and Technology Institute in February 2017 in Nicosia, with the participation of distinguished speakers from Cyprus and abroad, including the Director General of ECSO, Mr Luigi Rebuffi.



CYPRUS GS1 BARCODING SERVICE

GS1 is a neutral, non-profit organisation dealing with the design and implementation of international standards and solutions aiming at improving efficiency and transparency in supply chains. More than 2 million member enterprises of the Organisation use the GS1 standards system, carrying out more than 6 billion transactions in 150 countries on a daily basis. Through its local member organisations, GS1 is present in more than 110 countries. It is based in Brussels.

The Cyprus BarCoding Service (GS1 Cyprus) is a member of GS1 since 1984. It manages the international codification system and issues the relevant barcodes bearing the Cypriot prefix 529. The Service is housed at the CCCI. Its purpose is to manage the GS1 system in Cyprus and provide its member enterprises with the necessary means to improve their productivity and become more efficient through adopting the GS1 international standards and utilising the services offered by GS1. The GS1 international standards cover all the sectors of trade, industry and services (e.g. Health, defence, sports etc.) of independent craft enterprises, producers, multinational companies, commercial enterprises, large retail chains, wholesale trade and transporters.

The use of GS1 standards provides that products, services and all 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 series of products and services is being upgraded and expanded on a constant basis, with the ultimate goal being its gradual transformation into an organisation offering direct solutions and services not only to enterprises, but also to consumers.

Responding to current technological demands, over the last year the Service paid particular attention to upgrading its software system. Very soon, through this upgrade members will be able to have direct access to their registered barcodes, the time of response to mem-

bers' requests will be improved, the ability to provide barcodes will be increased and a direct interlink with the international barcode database GEPIR will be established. Moreover, the Service will be given the opportunity to conduct more frequent and efficient controls in the Cypriot market.

The development of a close collaboration with the Purchasing and Supply Directorate of the Ministry of Health for the adoption of the international GS1 standards in the health sector is considered a great success. As a result, all products to be delivered to pharmaceutical services must be labelled according to the international GS1 standards. This is the first step towards the gradual adoption of the GS1 system in the totality of the supply chain of public hospitals, which is expected to result in the increase of productivity, the improvement of the scheduling of orders, the decrease of stock and the minimisation of errors, bringing about important savings in the hospitals' cost of operation. The Cyprus BarCoding Service also aspires to further promote GS1 standards in the context of the implementation of the General Healthcare Plan.



INTERNATIONAL ASSOCIATION OF SMALL AND MEDIUM-SIZED ENTERPRISES (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 international, non-governmental organisation WASME was founded in 1980 in India and is one of the most zealous supporters of SMEs. WASME actively collaborates with a great number of international organisations, such as the ILO, UNIDO, ITC etc.

STRUCTURE OF THE CCCI

CCCI

SECRETARY GENERAL: Marios Tsiakkis

DEPARTMENT OF EDUCATION & EUROPEAN PROGRAMMES & DEPARTMENT OF INTERNATIONAL & PUBLIC RELATIONS

SENIOR DIRECTOR: Leonidas Paschalides

DEPARTMENT OF INDUSTRY

DEPUTY DIRECTOR: Andreas Andreou

DEPARTMENT OF SERVICES & TRADE

DIRECTOR: Christos Petsides

DEPARTMENT OF LABOUR AFFAIRS

DIRECTOR: Emilios Michael

DEPARTMENT OF FINANCIAL MANAGEMENT

DIRECTOR: Katia Stylianou

PUBLIC RELATIONS & COMMUNICATIONS

EXECUTIVE: Niovi Parisinou

CERTIFICATES OF ORIGIN SERVICE...Andri Georgiadou

SENIOR OFFICERS

..... Vassilis Vassiliades
..... Demetra Palaonda
..... Christos Tanteles
..... Stalo Demosthenous

OFFICERS

..... Lia Riri
..... Panayiotis Panayi
..... Michalis Protopapas
..... Polycarpus Peratikos
..... Yianna Pelekanou
..... Monica Andreou
..... Alexandros Ioannides
..... Zoe Pieridou
..... Zacharias Manitaras

SECRETARIAL PERSONNEL

..... Androulla Xenophontos
..... Stella Nicolaou
..... Martha Georgiadou
..... Meropi Kattou
..... Maria Constantinou
..... Claire Andreou
..... Anna Tsangari
..... Stavroulla Christodoulidou
..... Eleftheria Xenophontos
..... Elena Kleanthous
..... Soulla Parpa
..... Georgia Venizelou
..... Nicos Panteli
..... Panikos Panayiotou

STRUCTURE OF LOCAL CCCIS

NICOSIA CCI

SECRETARY/DIRECTOR:

.....Socrates Heracleous

DIRECTOR OF INDUSTRY & EUROPEAN ISSUES:

.....Andreas Antoniadis

SENIOR OFFICER TOURISM:

.....Antigoni Iraklidou

SECRETARIAL PERSONNEL:

.....Aphroulla Christodoulou

.....Chryso Charalambous

LIMASSOL CCI

SECRETARY/DIRECTOR:

.....Christos Anastasiadis

SENIOR OFFICERS:

.....Anthia Papageorgiou

.....Nicolas Iordanous

SECRETARIAL PERSONNEL:

.....Costakis Christou

.....Sophia Leonidou

.....Eleftheria Constantinou

FAMAGUSTA CCI

SECRETARY/DIRECTOR:

.....Iacovos Hadjivarnavas

OFFICER:

.....Andri Evangelou

SECRETARIAL PERSONNEL:

.....Christophis Zacharoudiou

.....Kika Charalambous

.....Maria Christofi

LARNACA CCI

SECRETARY/DIRECTOR:

.....George Psaras

SECRETARIAL PERSONNEL:

.....Demetris Christou

.....Maria Poyadji

PAPHOS CCI

SECRETARY/DIRECTOR:

SECRETARIAL PERSONNEL:

.....Natasa Demetriou

.....Marios Andreou

.....Anna Sakka

PROFESSIONAL ASSOCIATIONS AND THEIR PRESIDENTS

PRODUCTION: (INDUSTRY-AGRICULTURE)

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

TRADE

1. Association of Fruit & Vegetables Importers
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

PROFESSIONAL ASSOCIATIONS AND THEIR PRESIDENTS

5. Association of Mass Consumption Goods Suppliers	Z. Markides
6. Association of Sales Register and Commercial Systems	Al. Lyllitos
7. Association of Sanitary-ware Merchants	A. Agathocleous
8. Association of Suppliers to the Duty Free Shops	
9. Cyprus Association of Beauty Saloon Distributors	Gr. Katsellis
10. Cyprus Association of Electrical Items Merchants	M. Hadjiyiannis
11. Cyprus Association of Importers of Alcoholic Beverages	V. Petrides
12. Cyprus Association of Pharmaceutical Companies	Avg. Potamitis
13. Cyprus Association of Retail Trade Enterprises	G. Aneliades
14. Cyprus Association of Tyre Importers	D. Demades
15. Cyprus Booksellers Association	A. Christou
16. Cyprus Jewelers Association	F. Neophytou
17. Cyprus Plant Protection Association	M. Kythreotis
18. Cyprus Veterinary Medicine Importers and Distributors Association	D. Lapathiotis
19. Timber and Building Materials Importers Association	Ch. Petousis

SERVICES

1. Association of Autogas Technicians	A. Polycarpou
2. Association of Big Development Projects	A. Demertiades
3. Association of Cyprus Banks	I. Matsis
4. Association of Continuous Services Shops	A. Theodoulou
5. Association of Cyprus Travel- Agents	V. Stamataris
6. Association of Higher Education Institutions of Cyprus	S. Adamides
7. Association of Portfolio and Mutual Funds Investment Companies	
8. Association of Professional Training Institutions	A. Georgiou
9. Cyprus Advertisers Association	
10. Cyprus Advertising & Communication Agencies Association	St. Anastasiades
11. Cyprus Association of Beauticians	V. Ioannidou
12. Cyprus Association of Automotive Engineer Assessors	K. Televantos
13. Cyprus Association of Conference Interpreters	M. Houvarta
14. Cyprus Association of Hotel Managers	V. Kilanis
15. Cyprus Association of Information Technology Companies	A. Tilliris
16. Cyprus Association of Leisure Parks & Attractions	I. Petrou
17. Cyprus Association of Private Educational Coaching Centres	G. Gavriel
18. Cyprus Association of Professional Tourist Vessel Owners	M. Alexandrou
19. Cyprus Association of Research and Innovation Enterprises	P. Philimis
20. Cyprus Association of Security Companies	M. Tryfonos
21. Cyprus Association of Young Entrepreneurs	
22. Cyprus Chefs Association	G. Damianou
23. Cyprus Clearing Agents Association	P. Christodoulou
24. Cyprus Commercial Representatives Association	N. Philippou
25. Cyprus Cultural and Special Interest Tourism Association	G. Michaelides

PROFESSIONAL ASSOCIATIONS AND THEIR PRESIDENTS

26. Cyprus Dive Centre Association	N. Nicolaou
27. Cyprus Federation of Business and Professional Women	M. Papadopoulou
28. Cyprus Freight Forwarders and Logistics Association	Th. Savvides
29. Cyprus Financial Services Firms Association	A. Loizides
30. Cyprus General Bonded Warehousing Logistics Association	A. Meletiou
31. Cyprus Health Services Promotion Board	P. Georgiades
32. Cyprus Hotel Association	H. Loizides
33. Cyprus Incentives and Meetings Association CIMA	Chr. Siailou
34. Cyprus Institute of Certified Management Consultants	Sp. Rayias
35. Cyprus Land and Property Owners Association	G. Mouskides
36. Cyprus Lifts Suppliers Association	A. Agapiou
37. Cyprus Marine Industry and Commerce Association	H. Kyriakides
38. Cyprus Mediation Association	L. Mavarakordatos
39. Cyprus Oil & Gas Association	A. Varoshotis
40. Cyprus Property Valuers' Association	K. Talatinis
41. Cyprus Public Companies Association	St. Leptos
42. Cyprus Real Estate Agents Association	M. Kynegirou
43. Cyprus SPA Association	G. Tavelis
44. Cyprus Ship Suppliers Association	St. Parpoutis
45. Cyprus Shipping Agents Association	P. Christodoulou
46. Cyprus Shipping Chamber	Th. Papadopoulos
47. Cyprus Tourist Guides Association	P. Hadjidemetriou
48. Cyprus Vehicle Air-condition & Refrigeration Technician Association	L. Agapiou
49. Cyprus Wind Energy Association	A. Ellinas
50. Cyprus Women Association in Tourism	M. Trokkoudi
51. Institute of Certified & Public Accountant	M. Skandalis
52. Institute of Public Relations Cyprus	M. Constantinou
53. Insurance Association of Cyprus	A. Pantelidou
54. International Banks Association	K. Zimarinn
55. International Real Estate Federation (Cyprus Chapter) - FIABCI	I. Antoniou
56. Junior Chamber of Cyprus	G. Demetriades
57. Pancyprian Association of Car Rental Owners	Sp. Spyrou
58. Pancyprian Federation of Private Recruiting Offices	A. Tsangarides
59. Pancyprian Union of Clearing & Forwarding Agents	A. Pekris
60. Private sports Fields Association	K. Pitsillides
61. Union of Cyprus Ship-owners	G. Mouskas

BILATERAL BUSINESS ASSOCIATION

1. Cyprus – American Business Association	H. Kakoullis
2. Cyprus – Austria Business Association	N. Kyriakides
3. Cyprus – Bulgaria Business Association	X. Xenopoulos
4. Cyprus – Canada Business Association	M. Antoniadis

PROFESSIONAL ASSOCIATIONS AND THEIR PRESIDENTS

5. Cyprus – China Business Association	P. Kaouris
6. Cyprus – Croatia Business Association	L. Benfield
7. Cyprus – Czech Business Association	V. Loizou
8. Cyprus – Egypt Business Association	A. Christofides
9. Cyprus – France Business Association	A. Kashouris
10. Cyprus – GCC Countries Business Association	Chr. Christoforou
11. Cyprus – Georgia Business Association	L. Markides
12. Cyprus – Germany Business Association	S. Nolte
13. Cyprus – Greece Business Association	I. Iosif
14. Cyprus – Hungary Business Association	D. Vakis
15. Cyprus – India Business Association	M. Andreou
16. Cyprus – Iran Business Association	M. Gregoriades
17. Cyprus – Israel Business Association	Chr. Papavassiliou
18. Cyprus – Italian Business Association	J. Hadjihannas
19. Cyprus – Jordan Business Association	G. Pantelides
20. Cyprus – Kuwait Business Association	D. Tsingis
21. Cyprus – Lebanese Business and Professional Association	A. Hadjirosos
22. Cyprus – Libyan Business Association	G. Loizou
23. Cyprus – Netherland Business Association	G. Papanastasiou
24. Cyprus – Nordic Business Association	P. Ceder
25. Cyprus – Polish Business Association	S. Pourgoura
26. Cyprus – Qatar Business Association	M. Panayides
27. Cyprus – Romanian Business Association	K. Erotokritou
28. Cyprus – Russian Business Association	E. Evgeniou
29. Cyprus – Serbia Business Association	K. Constantinou
30. Cyprus – Slovakia Business Association	A. Gregoriades
31. Cyprus – South African Business Association	M. Zavrou
32. Cyprus – Spain Business Association	M. Klitou
33. Cyprus – Syria Business Association	
34. Cyprus – UK Business Association	A. Pitta
35. Cyprus – Ukraine Business Association	M. Michael

COMMITTEES, COUNCILS AND ORGANISATIONS IN WHICH THE CCCI IS REPRESENTED

Ministry of Finance

1. Advisory Economic Committee
2. Customs Co-operation Committee
3. Statistical Council
4. Special Steering Committee on Improving the Regulatory Framework
5. Committee on the "Electronic Customs" Programme
6. Advisory Committee on the Regulatory Framework for the Conclusion of Double Tax Treaties
7. National Platform for Electronic Invoicing

Ministry of Energy Commerce, Industry & Tourism

1. Competitiveness Council
2. Cyprus Organization for Quality Promotion Council
3. Council of the Cyprus Organization for the Marking of Precious Metal Objects
4. Export Award Selection Committee
5. Technical Committees of the Cyprus Standards and Quality Control Organization for the Preparation of Cyprus Standards for Various Goods
6. Advisory Committee on Consumer Issues
7. Council of the Cyprus Certification Organization (CYS)
8. Independent Certification Council
9. Monitoring Committee for the provisions of the Small Business Act
10. Evaluation - Selection Committee for proposals for the European Awards for promotion of Entrepreneurship
11. Technical Investment Committee
12. Monitoring Committee for the Strategic Plan for Tourism
13. National Action Plan for the Integrated Marine Policy - Thematic Priority - Energy
14. National Action Plan for the Integrated Marine Policy - Thematic Priority - Tourism
15. Central Working Group for the Drafting of the New National Industrial Policy/Strategy
16. Committee for the Coordination & Monitoring of the Policy Statement for the Strengthening of the Business Ecosystem

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. Advisory Committees of the District Labour Offices - in all towns
11. Co-ordinating Body for Senior Citizens
12. Advisory Body for Issues Relating to the Disabled
13. Advisory Committee for Health and Safety at the Workplace
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. Enterprise Certification Body for the Implementation of Good Practices on Gender Equality in the Working Environment
25. Council of the Mediterranean Institute of Management
26. Monitoring Committee for the Implementation of the National Strategy for Social Policy 2014-2020
27. Committee on Gender Equality in Employment and Vocational Training

Industrial Tribunal

Ministry of Education and Culture

1. Technical & Education Advisory Body
2. Apprenticeship Council

COMMITTEES, COUNCILS AND ORGANISATIONS IN WHICH THE CCCI IS REPRESENTED

3. Joint Apprenticeship Council
4. Cyprus International Education & Career Exhibition

Ministry of Health

1. Board of General Health Scheme
2. Committee for the Control of Pharmaceutical Prices
3. 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. National Committee for the Implementation of the Montreal Convention
2. Advisory Committee on Management of Packaging Materials
3. Agricultural Products Inspection Committee
4. Monitoring Committee for the Rural Development Plan
5. Committee for the ECO Label Award System
6. Committee for Environment Prize Award to Enterprises
7. Advisory Committee for the Management of Water Resources
8. Advisory Committee for Water Management
9. National Committee for the International Dairy Federation (IDF)
10. Committee on the 2014-2020 Maritime Programme

Ministry of Communications & Works

1. Road Traffic Transport Council
2. Limassol Port Council
3. Larnaca Port Council

Directorate General for European Programmes, Coordination and Development

1. Technical Committee on Agreements for Mutual Promotion and Protection of Investment

2. Monitoring Committee of the Programme Interreg Greece-Cyprus 2014-2020
3. Monitoring Committee of the Operational Programmes 2014-2020 co-funded by the Structural Funds of the E.U.
4. Monitoring Committee for the Mechanisms of the European Economic region and Norway
5. Council of the Foundation for the Management of the Lifelong Learning European Programmes
6. 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. Selection Committee of the Cyprus State Scholarships Foundation
4. National Committee for questions of Lifelong construction of Public and Private Projects (Cyprus University)
5. Advisory Committee for the Formulation of a Strategic Plan for Renewable Energy Sources
6. National Payments Committee
7. CEN/SAGS Strategic Advisory Body on Standardisation
8. Advisory Committee of the Cyprus Energy Agency

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. Lifelong Learning Committee
6. Working Group for Education and Training of the E.U. Committee for the Social Dialogue
7. Advisory Committee for Social Insurance



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