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Dear members,

This year’s annual report coincides with positive developments for our economy, which create expectations for better results in the years to come. The rise of the growth rate to around 4% of the GDP is an indication of our economy’s current dynamism.

The most positive and, perhaps, important development has been Cyprus’s return to the investment grade. This will enhance the public image of our economy, while at the same time it will contribute to our continuing effort to attract new foreign investments.

Cyprus’s return to the investment grade led our government to turn to the markets in search of low-cost financing.

Linked to the above development is the fact that the foreign credit rating agencies are constantly upgrading our economy, creating better prospects for all its sectors.

At a public finances level, we are pleased with the drawing up of a surplus budget for 2019 along with the expenditure restraint.

The aggrandisement of the public debt, which has once more jumped to 109% of the GDP, principally due to the agreement for the takeover of the Cooperative Bank by the Hellenic Bank, is a negative development for our public finances.

The expansion of our public debt is a matter of grave concern for the CCCI, which has repeatedly requested, and continues to request, specific measures for its restriction. It has been our long-standing position that a specific timetable for the repayment of the debt should be determined, in order to make the control of this important dimension feasible within a few years.

The image of private economy is also positive, since almost all sectors are recovering and improving. Specifically, the vital tourism sector is developing at a very satisfactory pace, with the number of tourist arrivals approaching 4 million in 2018. It is worth noting that this performance corresponds to a period where arrivals from the Russian market decreased, while competitive destinations such as Turkey recovered. The rise in arrivals also reinforced Cyprus’s revenue from tourism.

The real estate sector appears to be on a path of considerable recovery. According to the Department of Lands and Surveys, both real estate sales and prices are on an upward trend. Regarding real estate, the CCCI emphasises the need to preserve the basic incentives offered to foreign nationals, in order to maintain demand from the international market.

Two other sectors that are among the CCCI’s direct interests, trade and industry, are also developing in a satisfactory manner. We especially welcome the increase of product and services exports, which, despite issues of competitiveness, are on the rise, reinforcing the Cypriot economy.

Yet, although this positive performance has an immediate beneficial impact on the activities of the business people, it has not resolved all the problems we have either inherited from the economic crisis or have not managed to resolve due to our own weaknesses. We are referring to the burning and acute problem of non performing loans, which amount to €22 billion, representing 43% of the totality of bank credits. The CCCI is deeply concerned about this issue, since, in addition to its negative effects on the banking system, it impedes the smooth financing of our member enterprises. We hope that we will be able to contain these loans through the activities of specialised “bad” loans management companies, the restructuring and other institutional measures which are being implemented.

The CCCI is also worried about the delays observed in the promotion of the reforms in the public sector. The failure to approve the reform of the public sector hinders the fight against red tape and the improvement of the services offered to
enterprises and citizens, leaving the public sector at the mercy of its long-standing weaknesses and distortions.

Furthermore, we express our disagreement with the lack of promotion of the issue of denationalising semi-public organisations. The CCCI insists that denationalisations will create more conventional development models for semi-public organisations, to their own and their employees’ advantage.

The CCCI also strongly disagrees with extreme trade union demands, which are threatening to disrupt our economy’s growth path. The recent conflict in the area of education, with school teachers’ unions keeping a negative attitude towards a consensus-based solution for four months, is indicative of this situation.

We once more call upon the trade union movement to rise to the occasion and stop making demands that are beyond our economy’s reach. The CCCI warns that it will not tolerate any behaviour that may undermine our economy’s growth.

Dear members,

The CCCI, as Cyprus’s principal developmental organisation of the private sector, will never stop working for the economy’s modernisation, the interests of the business people and our country’s general good.

In this context, we will continue to carry out our work intensively in order to promote entrepreneurship and the economy, both inside and outside Cyprus.

We shall promote our economy abroad and reinforce our enterprises’ extroversion through business and trade missions and we shall promote the interests of Cyprus’s business people through our participation in European and international bodies.

We shall express our positions through substantiated arguments in order to improve and reform our economic model.

Through modern and fresh ideas, we shall place emphasis on the new sectors of our economy, such as energy, innovation, high technology, digital transformation, private education and healthcare, research etc. We aspire to enrich our traditional sectors with new ones in order to increase our economy’s dynamism. At the same time, we welcome the establishment of the Deputy Ministries of Shipping and Tourism and we support the government’s intention to establish a Deputy Ministry of Development. Our economy’s new needs require these constitutional changes, if we are to face the new challenges ahead of us.

Dear members,

As the new President of the CCCI, together with my colleagues at the new Board of Directors and the Executive Committee, I assure you that we will do everything among our power in order to upgrade the role of the CCCI. We will strive so that the CCCI can be at the fore both in Cyprus and abroad. The CCCI will express the Cypriot business people’s interests everywhere.

With a view to playing our role better, we have already begun renovation works at the CCCI’s headquarters. We are in the process of creating a modern building with high-technology infrastructure and functional facilities. The new building of the CCCI will not only offer more convenience to the people working in it, but also to its many visitors. It will be a jewel of Nicosia.

We are optimistic that the years to come will be better than the previous. However, if we are to achieve our new goal, we must all embrace the CCCI and the institution of the Chamber wholeheartedly. My colleagues at the CCCI’s superior collective bodies and myself have opened the doors for direct communication and dialogue. Join us in creating, building and making the CCCI and Cyprus even stronger. Together we can do it...

In this first communication of mine through the annual report, I would like to thank the CCCI’s Board of Directors and Executive Committee for the close and constructive collaboration between us. I would also like to thank the Board of Directors of the Local Chambers, the Boards of the Professional and Interstate Associations, the Secretary General and the Deputy Secretary General of the CCCI, my friends Marios Tsiakkis and Leonidas Patsalides, the directors, the officials, the personnel and the collaborators of our Chambers for their significant contribution to the institution of the Chambers.

Thank you.
Executive Committee of the CCCI

President: ............................................................... Christodoulos E. Angastiniotis

Immediate Past President: ............................................................... Phidias Pilides

Vice – Presidents: ............................................................................. Othonas Theodoulou
............................................................................................. Dinos Mitsides
............................................................................................. George Demetriou
............................................................................................. George Leptos
............................................................................................. George Mavroudis

Honorary Presidents: ....................................................................... Christodoulos Mavroudis
............................................................................................. Phanos Epiphaniou
............................................................................................. Vassilis Rologis
............................................................................................. Manthos Mavrommatis

President Nicosia CCI: ............................................................... Stelios Anastasiades

President Limassol CCI: ............................................................... Costas Galatariotis

President Famagusta CCI: ............................................................. Avgoustinos Papathomas

President Larnaca CCI: ................................................................. Stavros Stavrou

President Paphos CCI: ................................................................. Andreas Demetriades

Secretary General: ............................................................................. Marios Tsiakkis

Honorary Secretary General: .......................................................... Panayiotis I. Loizides

Photo from last year’s Annual General Assembly
Members of the Council of the CCCI

President:
.................................................................................................................. Christodoulos E. Angastiniotis

Immediate Past President:
.................................................................................................... Phidias Pilides

Vice – Presidents:
........................................................................................................... Othonas Theodoulou
........................................................................................................... Dinos Mitsiddes
........................................................................................................... George Demetriou
........................................................................................................... George Leptos
........................................................................................................... George Mavroudis

Honorary Presidents:
......................................................................................................... Phanos Epiphaniou
......................................................................................................... Vassilis Rologis
......................................................................................................... Manthos Mavrommatis

Secretary General:
................................................................................................................... Marios Tsiakkis

Honorary Secretary General:
......................................................................................... Panayiotis I. Loizides

Nicosia Members:
........................................................................................................... Stelios Anastasiades
........................................................................................................... Christis Christoforou
........................................................................................................... Evgenios Evgeniou
........................................................................................................... Theodoros Kringou
........................................................................................................... Marios Lenas
........................................................................................................... Panayiotis Papaphilippou
........................................................................................................... Iacovos Phoitiades
........................................................................................................... Elena Tanou
.................................................................................................................... Costas Zorbas

Limassol Members:
......................................................................................................... Costas Galatariots
......................................................................................................... Kikoula Kotsapa
......................................................................................................... Yiannis Misirlis
......................................................................................................... Liakos Theodorou
......................................................................................................... Andraeras Tsouloufas

Famagusta Members:
........................................................................................................... Avgoustinos Papathomas
......................................................................................................... Stavros Neocleous
......................................................................................................... Christakis Papavasiliou
......................................................................................................... Kyriacos Sophocleous
........................................................................................................... Kikis Vassiliou

Larnaca Members:
........................................................................................................... Stavros Stavrou
......................................................................................................... Nakiis Antoniou
......................................................................................................... Loukas Louca
........................................................................................................... Evangelos Mouscos

Paphos Members:
........................................................................................................... Andreas Demetriades
......................................................................................................... Pantelis Evangelou
......................................................................................................... Zenonas Zenonas
......................................................................................................... Charalambos Papantoniou
........................................................................................................... Stephanos Stephanou

Ex.Officio Members:
........................................................................................................... Haris Loizides
......................................................................................................... Thomas Kazakos
......................................................................................................... Mary Papadopoulou
........................................................................................................... Michalis Michael
........................................................................................................... Dimis Karapatakis
........................................................................................................... Marios Panayides
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:
Theodora Kringou
Costas Zorbas
Evgenios Evgeniou
Elena Tanou
Nicos Lakoufis
Honorary Secretary:
Panayiotis Papaphilippou
Honorary Members:
Demos Demosthenes
Socrates Heracleous
Members:
Demos Anastasiou
Yiannos Argyrou
Loucas Benfield
Christakis Charalambous
Christia Christoforou
Demos Demosthenes
Lyssandros Ioannou
Honorary Vice President:
Nicos Lakoufis
Immediate Past President:
Marinos Kallis
Aakis Kelepeshis
Charis Michael
Nicos Nouris
Iacovos Pistiades
Nicolas Shacolas
Honorary Secretary:
Panayiotis Papaphilippou
Honorary Members:
Demos Demosthenes
Socrates Heracleous
Members:
Demos Anastasiou
Yiannos Argyrou
Loucas Benfield
Christakis Charalambous
Christia Christoforou
Demos Demosthenes
Lyssandros Ioannou
Ex.Officio Members:
George Mountis
Vicky Nemitsa Xyta
Michalis Sarris
Iacovos Stavrou
Melita Rolandi Strati
Panayiotis Filimis

Limassol Chamber of Commerce and Industry

President:
Costas Galatariotis
Ex. President:
Dimitris Solomonides
Tony Antoniou
Honorary Presidents:
Takis Nemitsas
Stathis Papadakis
Michalis Polydorides
Evaris Styliandides
Yiannakis Christodoulou
Honorary Secretary:
Kikoula Kotsapa
Secretary / Director:
Christos Anastasiades
Members:
Vassos Demetriades
Tasos Kounoudes
Andreas Laos
Michalis Loizides
Pericles Markaris
Immediate Past President:
Philokypros Andreou
Honorary Presidents:
Takis Nemitsas
Stathis Papadakis
Michalis Polydorides
Evaris Styliandides
Yiannakis Christodoulou
Vice-Presidents:
Andreas Tsoulofas
Charalambos Patichis
Ex.Officio Members:
Theodotos Anthousis
Elios Charalambous
Panayiotis Christodoulou
Panicos Hadichambis
Miltos Papadopoulos
Demosthenis Mavrellis
Yiannis Misrilis
Antonis Papas
Chrysis Petousis
Mary Protopapa
Athos Tylliris
Michael Virardi
Famagusta Chamber of Commerce and Industry

Immediate Past President:
George Mavroudis

Ex-Presidents:
Phanos Epiphaniou
Takis Kyriakides
Pholis Paphothomas
Andreas Mattis
Loizos Shikallis
George Michaelides

Vice–Presidents:
Kyriacos Sophocleous
Toniis Tournazis
Kikis Vasilikou
Christos Angelides

President:
Avgoustinos Papathomas

Honorary Secretary:
Christakis Papavasilisou

Secretary / Director:
Paraskevas Kyriakides

Members:
Andri Epiphaniou
Andreas Hadjiitheodosiou
Stavros Karamanitis
Rania Kyriakidou
Christos Kyriakou
Antonis Mikellides
Stavros Neocleous

Ex. Officio Member:
Christodoulos Neophytou
Andreas Philippos
Chrystalleni Sozou
Michalis Timinis
Michalis Vasilisou

Larnaca Chamber of Commerce and Industry

Immediate Past President:
Othonas Theodoulou

Ex. President:
Ntinos Lefkaritis

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

Vice–Presidents:
Evangelos Mouskas
Zenonas Apostolou

President:
Stavros Stavrou

Honorary Secretary:
Nakis Antoniou

Secretary / Director:
Georgis Katodritis

Members:
Costas Demetriou
George Demetriou
Vera Dianello
Theodoros Efthymiou
Sophoclis Filiastides

Ex. Officio Member:
Lena Nicolaou

Paphos Chamber of Commerce and Industry

Immediate Past President:
George Leptos

Ex. Presidents:
Themis Philippides
Kyriacos Droushiatis

Honorary Presidents:
Theodoros Aristodemou

Vice–Presidents:
Charalambos Papantonious
Zenonas Zenanos
Savvas Georgiades
George Mais

President:
Andreas Demetriades

Honorary Secretary:
Stephanos Stephanou

Secretary / Director:
Michalis Michael

Members:
Demetris Ashiotis
Chrysis Chrysantheou
Agathocles Constantinou
Pantelis Evangelou
Michalis Hadjimatis
Andreas Ioannou

Junior Chamber:
Yiannis Kouououtsis

Lazaros Hadijforados
George Hasapis
Andreas Lefkaritis
Demetris Miskourides
George Petrou
Valentinos Soteriou
Floros Voniatis
Heraclis Zavos

Honorary Members:
Andreas Georgiades
Maria Mitiouz
Stephanos Stephanou
Costakis Tofarides

Ex Officio Member:
Annita Lili
Highest Advisory Body of the CCCI

The Highest Advisory Body consists of:
1. The members of the Council of the CCCI
2. The members of the Councils of the Local Chambers
3. The Presidents and Vice-Presidents of the Professional Associations

Co - Operation with International Organisations

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

Auditors of the CCCI
KPMG LTD

Legal Advisors of the CCCI
Antis Triantafyllides & Sons

Communications Publicity and Publications Consultants of the CCCI
fmw financial media way
GENERAL ACTIVITY
ECONOMIC DEVELOPMENTS

The Cypriot economy continued to improve during the period gone by, as shown by several important economic indicators. The growth rate reached 3.9% in 2017, unemployment fell to 11.1%, inflation was around 0.7% and there was a budget surplus amounting to 1.8% of the GDP, while the public debt was reduced to 97.5% of the GDP. The forecasts for 2018 are quite positive, except for the public debt, which is expected to rise significantly due to the developments concerning the Cyprus Cooperative Bank, up to 110% of the GDP. Otherwise, it is expected that the growth rate will be around 3.6%, unemployment will further decline, inflation will remain at the low level of 0.7% and the budgetary results will be in surplus once again, amounting to about 2% of the GDP.

Undoubtedly, the most important development of the period under review was the agreement to sell the Cyprus Cooperative Bank (CCB) to the Hellenic Bank, as a result of which the government was obliged to pay EUR 3.5 billion to the CCB in exchange of the bad loans it has undertaken, resulting in a considerable increase of the public debt, at least in the medium-term. What is more, the State guarantees granted to the Hellenic Bank, amounting to EUR 2.6 billion, are likely to put more burdens on the public debt, in case the Bank records losses in the future.

The aforementioned developments are directly related to the issue of non-performing loans (NPLs) that keeps tantalising the Cypriot economy. The CCCI issued an announcement whereby it welcomed the Parliament’s approval of the bills concerning the Cyprus Cooperative Bank as well as divestments and insolvency for dealing with NPLs. It also expressed its estimation that this new legislative framework will allow for substantial progress as regards the serious problem of NPLs.

Finally, the CCCI notes that, from now on, all issues must be tackled in a serious and responsible manner, in order to keep the economy, the enterprises, the citizens and public finance on a healthy track.

In relation to the ESTIA Scheme for dealing with NPLs and supporting vulnerable social groups, as a matter of principle the CCCI endorses the implementation of a scheme that shall support groups that are truly vulnerable instead of those who made reckless or unaffordable purchases/actions, even in cases where these loans have been secured by a mortgage on their main residence. In other words, there should be transparency regarding the scheme’s beneficiaries.

The provisions of the ESTIA Scheme send out an entirely wrong message to the market, establishing that persons/families or enterprises with net property value of around €800,000 and an annual income of €50,000 can be classified as vulnerable and receive support by the tax-paying citizens, probably in relation to purchases that were not absolutely necessary.

These criteria cover approximately 15,000 borrowers representing non-performing loans worth €3.4 billion, thus putting an extra burden of €800 million on public finances for the next 25 years and further increasing public debt, which already corresponds to 110% of the GDP.

In view of the above, the CCCI suggests that only those borrowers who obtained loans guaranteed by their main residence should benefit from the scheme, and for strictly defined purposes, in relation to which the borrower should submit reliable substantiating evidence. It has further suggested that the price of the main residence’s market value that was mortgaged along with the borrower’s total annual family income should be considerably reduced. The CCCI has also proposed that borrowers must not own any other property besides their main residence and the Scheme’s beneficiaries must obligatorily update their financial data on an annual basis and, in case they exceed the Scheme’s minimum thresholds, their participation in the Scheme must be suspended. In case a beneficiary’s financial capacity is restored, he must reimburse the State sponsorship. In brief, it is the CCCI’s position that the Scheme is too generous and should be drafted from scratch.

In general, through press conferences, announcements and meetings with the legislative and executive power, the CCCI continued during the period under review to point out to all directions the urgent need to effectively handle NPLs, since they amount to approximately 45% of the totality of financing. Among other things, the CCCI suggested that the banks should be provided with the necessary legislative and other tools in order to collect their entitlements and that it is necessary for the banks to demonstrate greater adaptability, flexibility and understanding, in order to encourage and support sustainable restructuring. Special mention was made to the need to modernise the legislation on divestments for the speeding up of the completion of the procedure, the need to amend the Law on the Sale of Loans for the elimination of the existing gaps and weaknesses and the need to promote legislation regarding the securitisation of loans, in order to encourage foreign investors dealing with the loan market to develop activities in Cyprus. The CCCI also highlighted the need to reinforce the Insolvency Service for further enhancing the effectiveness of the implementation of the legislation on the Insolvency Framework for natural and legal persons as well as
the need to categorise debtors according to specific criteria that would identify those who have a real justification for delaying in servicing their loans and should receive support. The CCCI’s suggestions included the necessity for a more effective operation of the courts and the creation of a special/specialised “Insolvency Court” to specifically deal with insolvency issues/cases, in order to speed up the processing of cases ending up in court.

As mentioned above, the CCCI welcomed the Parliament’s approval of the significant bills concerning the more effective handling of NPLs and expressed the hope that this problem will continue to be mitigated with a view to its final resolution.

In addition to the problem of NPLs, the CCCI kept pointing out that a number of other problems should be dealt with, such as high unemployment, specifically among the youth (despite its relative reduction as of 2015), the market’s unstable financing by the banks, the need to increase our economy’s competitiveness and the need to keep implementing a moderate fiscal policy and avoid spending public resources for non-productive purposes such as the public sector wage grid and the maintenance of an oversized state apparatus. In this light, the CCCI expressed its disagreement with the decision to gradually restore the wider public sector employees’ wage cuts and requested that the simultaneous adoption of the bills for the Reform of the Public Service and Local Government be set as a condition for the adoption of the relevant bills.

THE CCCI’S MEMORANDUM FOR THE PRESIDENT OF THE REPUBLIC

All of the above, together with a number of other issues, have been included in a 18-page memorandum submitted by the CCIC to the President of the Republic at a meeting held between the latter and the Chamber’s Executive Committee.

The memorandum also makes particular reference to the issue of the Digital Transformation in relation to the country’s competitiveness and requests the appointment of a Commissioner/ the establishment of a Deputy Ministry that would intensively and systematically deal with preparing and modernising the state and the private sector. During the period under review, the CCCI conducted a survey on digital strategy and, given the great short-fall in this regard, the matter is considered to be of great importance and urgency. At the same time, the CCCI did not hesitate to welcome the adoption of the laws on electronic identification, highlighting that this is an important step towards the country’s digital transformation.

As mentioned in the memorandum, in order to reverse the competitiveness’s downward trend, the public and private sectors should closely collaborate in order to draft a joint schedule of modifications and reforms, reinforced by the corresponding legislative, tax and social measures in favour of the country’s competitiveness for a period of 20-25 years.

The CCCI also made an important point regarding the multidimensional and multilevel nature of a country’s competitiveness. It does not only concern the economy’s financial aspect (State and government sector); it also touches on issues of positions and procedures, such as swift and flexible decision-making, adaptability in modernising legislation, the swift administration of justice, the consolidation of meritocracy and transparency regarding the operation of the State, the reinforcement of policies against corruption, the reduction of “red tape”, the wide use of technology and the introduction of the notion of accountability to those responsible for making and implementing decisions.

Furthermore, the CCCI’s memorandum included specific suggestions for the maintenance and continuation of fiscal discipline, the management of NPLs, the exploitation of our country’s advantages, the reinforcement of traditional sectors (tourism, professional services, shipping, industry, construction) and new sectors (educational and medical services, technology, innovation etc.).

The CCCI considers that we should plan and structure a new economic model that would exploit traditional sectors while reinforcing new ones, in order to secure our country’s future through implementing all necessary reforms and technological upgrades. This is why particular emphasis is placed on digital transformation, which is important not only for the State and enterprises, but also for society.
Finally, the CCCI requests the modernisation of the judicial system, proposes the reinforcement of economic diplomacy in order to enhance the enterprises’ extroversion and places the General Healthcare Plan, the reform of Local Government, the elimination of certain taxes and the Brexit among its top priorities.

In addition to the above, at the meeting the Executive Committee and the President of the Republic discussed the adoption of legislation for the regulation of strikes in essential services, the reduction of several taxes and the establishment of development incentives.

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 admonishments of both the European Commission and the International Monetary Fund in relation to our economy’s path. In view of the above, the CCCI expressed its satisfaction with the fact that the European Council’s recommendations regarding Cyprus’s national reforms programme for 2018 confirm its positions to a large extent.

The CCCI welcomed the establishment of the Deputy Ministry of Shipping and the Parliament’s decision for the establishment of a Deputy Ministry of Tourism, which have always been among its firm requests. It further welcomed the modernisation of the legal/institutional framework for investments and expressed its satisfaction with the upgrades of our country’s economy by the international rating agencies during the period under review, since they directly enhance the trust of both 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.

REFORMS AND SIMPLIFICATION / IMPROVEMENT OF THE REGULATORY FRAMEWORK

Apart from the establishment of the Deputy Ministry of Shipping and the adoption of the law for the establishment of a Deputy Ministry of Tourism, unfortunately no further developments have taken place regarding the reform of the public sector, since it has not yet been possible for the Parliament to vote on the relevant bills (on promotions, the evaluation and the improved management of public servants, the long-term viability of the public sector wage grid and the improvement and reorganisation of the public sector’s structures).

The reform of the public sector is an issue of utmost importance, not only for the CCCI, but also for the European Commission and the International Monetary Fund. In the reports they submit in the context of Cyprus’s surveillance programme, these organisations keep highlighting the need to promptly proceed to the necessary reforms, in order to modernise the operation of the state apparatus for the purpose of increasing the public sector’s efficiency and effectiveness and combating the system’s distortions and weaknesses. Many of them date back as far as 1960, making it difficult for public servants to perform their tasks smoothly.

The European Council’s recommendations in relation to Cyprus’s national reform programme for 2018 expressly mention both the need to directly promote all necessary reforms in the public sector and the local government in order to improve their operation and effectiveness and the need to continue to implement the privatisation programmes, which have unfortunately come to a standstill. Through a relevant announcement, the CCCI expressed its satisfaction with these recommendations, since they confirm its positions to a large extent.

During the period under review, the CCCI kept pointing out to all directions that it is necessary to move ahead with the necessary reforms without delay, highlighting that it is time to grasp the nettle and implement solutions to perennial problems tantalising the whole society and constantly placing the viability of public finances in danger, with direct consequences on enterprises, citizens and the country’s economy.

As regards the developmental reform, which includes the improvement of the regulatory framework, the CCCI expresses its disappointment, since, despite its repeated calls and initiatives, very little has been done. It is the CCCI’s position that the benefits from such improvements/simplifications for the enterprises, the society, the attraction of foreign investments and the economy in general are immense. This acquires particular importance today, since our economy must receive the strongest possible boost, while the need to attract foreign investments is greater than ever.

Due to the great significance of the reform issues, the CCCI will continue to exert pressure and take actions towards all directions, maintaining its position that the reforms and the simplification/improvement of the regulatory framework will have immense benefits for the country’s economy and the society in general.


The CCCI’s active participation in the Monitoring Committees for the 2014-2020 programming periods continued during the period under review. Specifically, these are the Monitoring Committee for the “Sustainable Development and Competitiveness 2014-2020” and the “Employment Human Resources

During the period under review, the CCCI also participated in the meeting for the shaping of Cyprus’s national views for the 9th Framework Programme for Research and Innovation and in the deliberations for the implementation of the monitoring and evaluation systems co-funded by the European Social Fund. It also took part in the public deliberation on European Funds in relation to the sectors of research and innovation, SMEs and the single market in the context of the multiannual financial framework of the EU that will apply as of 2020 as well as in a seminar on project management under the Interreg programmes, organised by the Directorate General for European Programmes, Coordination and Development.

Moreover, the CCCI submitted its views and positions not only regarding the EU Cohesion Policy after 2020, focusing on the actions that must be taken (including the simplification of procedures) for maximising benefits for SMEs, but also in relation to the European Commission’s proposal concerning the next Framework Programme for Research and Innovation of the EU entitled “Horizon Europe”. Emphasis was placed on issues of particular importance to SMEs, such as the reinforcement of innovation, the commercial exploitation and development of innovative projects by SMEs and start-ups, the increase of the SMEs’ involvement in the Programme, the simplification of procedures and the Programme’s budgetary increase.

In addition, the CCCI submitted its comprehensive positions and views regarding Cyprus’s Draft National Reform Programme for the Europe 2020 strategy. The CCCI’s views included the lack of notable progress and the delays observed in taking the appropriate measures in several sectors such as the reform of the public sector and the local government, the modernisation of the judicial system, non-performing loans, the multitude of bureaucratic procedures, privatisations and the GHP, irrespective of whether the fault lies with the executive or the legislative power.

Special mention was made to the necessity of improving the regulatory framework and conducting impact assessments, speeding up the digital transformation, including e-justice, e-health and broadband networks, as well as increasing cooperation between the public and the private sector, mainly in relation to the implementation/operation of large-scale infrastructure projects. The CCCI elaborated on the issues of the effectiveness and efficiency of the judicial system and the utilisation of alternative dispute resolution methods as well as on the need to improve the legal framework regarding NPLs. The establishment of a new framework that would support and facilitate investments, the improvement of the SMEs’ access to funding, the promotion of entrepreneurship and a more intensified disclosure of information regarding the European Strategic Investment Fund were among the CCCI’s principal suggestions. Furthermore, the CCCI emphasised the need to reinforce economic diplomacy and reorganise Cyprus’s commercial centres abroad, the need to establish a Deputy Ministry of Tourism and the need to complete the education reform, in order to better connect the education system with the labour market. The CCCI concluded by pointing out that real progress will be made only through constant economic growth and reinforcement of entrepreneurial activities and private initiatives.

Finally, during the period under review, a delegation of the CCCI met with representatives of the European Union visiting Cyprus for bilateral meetings in the context of the European Semester. The issues discussed included the labour market (developments regarding wages, undeclared work, market segmentation), investments, SMEs’ access to funding, the improvement of the regulatory framework, tourism, research and innovation and the new industrial policy. The CCCI elaborated on its firm positions, noting the relevant problems faced by SMEs and suggesting measures to be taken for improving the situation.

EUROPEAN UNION - RELATED INFORMATION AND ACTIVITIES

The CCCI continued to perform activities concerning and affecting the business sector in relation to European Union affairs, 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.

Undoubtedly, the CCCI has been long established as the most important information agency on EU affairs in our country.

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. A more detailed account of these services is provided in the chapter of the Annual Report entitled “Information”.

The information activities include informing about new regulations, directives and policies affecting enterprises, European programmes, deliberations on a wide range of issues (e.g. EU legislation for consumers, safety of toys, pesticides, chemical substances in foodstuffs and cosmetic products, immigration policy, energy products, the definition of SMEs, the use of plastic bags
etc.), useful EU websites concerning, for example, distribution services, SME issues, consumer legislation etc.

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. Detailed mention of the education activities of the CCCI is made to the chapter of the Annual Report entitled “Education and Training”.

During the period under review, the CCCI also actively promoted 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.

In addition, the CCCI 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 concerning the regulation on the free movement of goods, bank charges, regulations on retail trade, EU funds in relation to the budget after 2020 for the sectors of safety, mobility, strategic infrastructure, immigration, investments, innovation, SMEs, the single market and cohesion and the integration of the long-term unemployed into the labour market. It further participated in various surveys concerning the implementation of the test for SMEs in impact studies, the European Social Fund, cross-border transactions in relation to the Single Euro Payments Area, the evaluation of the regulation on the functioning of the single market in relation to the free movement of goods, the consequences of the Brexit, the definition of SMEs, the progress made and future actions in relation to the European Alleviation for Apprenticeship, SMEs’ performance, the internationalisation of SMEs and SME participation in public bids.

Moreover, it participated in interviews with European Commission officials on issues concerning the single market and the free movement of goods. Finally, it participated in events organised by the EU Representation in Cyprus concerning European funds and the Plan for Europe and the European Pillar of Social Rights, in a seminar for SME representatives, organised in Brussels by the DG for Economic and Financial Affairs, and in round table debates with the EU Commissioner for Budget and Human Resources, Mr Gunther Oettinger, on the EU’s financial future, the Director of the DG for Economic and Financial Affairs, Mr Manfred Bergman, in the context of the European Semester, and the European Chief Negotiator for the United Kingdom Exiting the European Union, Mr Michel Barnier. It also met with Mr Carlo Pandolfi, Director of European Cooperation of the European Patent Office.

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”.

RELATIONS WITH THE TURKISH - CYPRIOIT CHAMBER

The contacts and cooperation between the CCCI and the Turkish Cypriot Chamber of Commerce continued under the period under review, primarily aiming at promoting entrepreneurial cooperation between the two communities and actively supporting the efforts for a viable and workable solution of the Cyprus problem.

In this light, the two Chambers kept dealing with and collaborating on the Regulation governing trade through the Green Line, providing the necessary information and clarifications to all interested persons and contributing decisively in resolving the problems encountered from time to time. Furthermore, the issuance of accompanying documents for Greek Cypriot products being traded through the Green Line and the keeping of the relevant statistical data continued. As every year, a meeting was held between the Support Unit for the Resolution of the Cyprus Problem and EU officials, in order to discuss the progress report on the implementation of the Regulation.

In addition, the CCCI’s leadership had a number of meetings with the Director of the Support Unit for the Resolution of the Cyprus Problem of the EU’s Structural Reform Support Service in order to review the entrepreneurial and financial relations between the two communities and discuss issues relevant to the Regulation governing trade through the Green Line. The aforementioned issues were also discussed at a meeting with an expert of the World Bank visiting Cyprus in the context of the technical assistance programme for the Turkish Cypriot community.

Moreover, during the period under review, the two Chambers’ Councils held meetings and their Presidents jointly participated in events such as the debate on building bridges for the future, the event for selecting bicomunal start-ups to participate in the internationally acclaimed competition SLUSH and the event for the announcement of the new programme Startups4Peace for 2018. The two Presidents addressed the aforementioned events.
The Startups4Peace programme is an initiative of the Embassy of Finland. It is carried out with the collaboration of the two Chambers and Startup Cyprus, which is, in essence, the Cypriot ecosystem for start-ups. The programme, which has been established as an annual event, provides bicommunal start-ups the opportunity to participate in SLUSH, an internationally acclaimed competition for start-ups held in Helsinki. Under the programme, the selected bicommunal start-ups receive practical assistance and training as well as preparation for their participation in SLUSH, where they have the opportunity to network with a large number of important stakeholders of the European start-ups ecosystem and present their ideas to potential investors.

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.

The Chambers’ representatives also participated in workshops on dispute resolutions such as the one organised in Cyprus by the Peace Research Institute Oslo and the Birmingham University, while the CCCI’s Senior Director Mr Leonidas Paschalides participated as an expert in a workshop abroad on supporting reconciliation in conflict areas.

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, it should be mentioned that the CCCI’s representatives participate in the Technical Committee on Economic and Commercial Affairs, which holds its meetings under the auspices of the United Nations’ Good Offices Mission.

LIBERALISATIONS/DENATIONALISATIONS/PRIVATISATIONS

Unfortunately, the stagnation in reforms is also observed in the case of liberalisations and denationalisations/privatisations, despite the admonitions and calls for speeding up the procedures included in the reports of the European Union and the International Monetary Fund on Cyprus.

During the period under review, the CCCI kept promoting to all directions and with great intensity its position that it is necessary to take all necessary actions promptly, since it is its firm and long-standing conviction that denationalisations 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.

As it is known, no other actions have been taken towards liberalisations/privatisations after the denationalisation of the commercial activities of the port of Limassol, while, on the contrary, the Parliament has eliminated the relevant budget lines concerning privatisations and even abolished the Privatisation Unit.

The CCCI expressed its great disappointment at these developments, pointing out that the current circumstances concerning the operation and the role of semi-public organisations are completely different from those that prevailed at the time of their establishment, resulting in adverse consequences on the development of healthy competition. At the same time, 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 consumers’ well-meant interests. Characteristically, Cyprus is the only remaining country in the EU and, perhaps worldwide, that has a state-owned telecommunications services provider.

The CCCI warns the Government, the Parliament and the employees of these organisations that any further delay in modernising and changing their manner of administration and operation, will broaden and multiply their sustainability problems. This would pose a very real risk of them being found in the position of similar organisations in the past, whose losses and costs were be paid by the wider society.

The CCCI believes that the State’s reluctance to take the right decisions on such important issues in a timely manner due to the trade unions’ pressure is unacceptable, since the society is then called upon to pay a high price for this faint-heartedness, on the
Despite the aforementioned negative developments, the CCCI is convinced that denationalisations will have positive effects not only on the Organisations themselves, but also on the economy and the wider society, and for this reason it will keep pushing towards all directions for changing the mentality and bringing back this issue to the right track.

Finally, the CCCI kept promoting to all directions its firm position that there is a need for cooperation between the public and the private sector in relation to the performance/operation of large-scale infrastructure projects through the BOT and the 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.

ADMINISTRATION OF JUSTICE

During the period under review, the CCCI continued to approach both the executive and the legislative power in relation to the great delays observed in the administration of justice. This is a very serious issue, since these delays generate too many problems for enterprises, affect the country’s competitiveness and pose obstacles to the efforts to attract foreign investments. It is the CCCI’s firm belief that this long-standing problem should be resolved immediately, since this would largely benefit both the viability of enterprises and the economy in general.

The CCCI expressed its satisfaction with the establishment of the Commercial Court, which has been its firm request, but at the same time it kept exerting pressure on all stakeholders concerning the need to establish more specialised courts such as Small Claims Courts according to the British model, an Insolvency Court etc.

On the occasion of the CCCI’s submission of the bill on the Commercial Court, the Minister of Justice and Public Order attended a meeting of the Chamber’s Executive Committee, where he analysed the main provisions of the proposed bill, stating that the establishment of the Commercial Court in Cyprus constitutes an innovation that will substantially contribute to the acceleration of litigation concerning commercial cases (Cypriot and international) and, by extension, to the reinforcement of Cyprus’s competitiveness as a services centre and the attraction of foreign investors. The CCCI’s Council welcomed the establishment of the Commercial Court, but suggested that the minimum amount for the cases to be heard by the Court should be 500,000 EUR instead of 2m EUR, which is the amount provided for in the bill.

The Minister further added that he is in constant touch with the Members of the Supreme Court, who assent to the efforts to modernise our courts with the assistance of a foreign firm of experts. He also mentioned that the evaluation for e-justice is progressing, and that these measures are expected to accelerate the administration of justice.

At the same time, the CCCI kept promoting the enterprises’ use of alternative dispute resolution methods such as arbitration and mediation, in relation to which the Chamber conducts intensive activities through the operation of the relevant services.

Finally, during the period under review, the CCCI was particularly satisfied with the Government’s decision to recruit 26 new judges and to extend the courts’ operation to the afternoon hours, in order to achieve the speeding up of the court procedures in relation to cases that are pending for many years now.

The CCCI highlighted the need to establish a specialised commercial court that would hear smaller commercial cases and requested the immediate planning of all necessary actions for the acceleration of the administration of justice.

GENERAL HEALTHCARE PLAN (GHP)

The CCCI actively participated in the discussions held at 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.

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

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 will be applicable:

- 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

As of 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

The extent and cost of the GHP render its implementation on the right basis necessary from the very beginning. 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. This is why the CCCI welcomed the appointment of a Board of Directors for the State Health Services Organisation (SHSO), which will be in charge of supervising and implementing the autonomisation of public hospitals.

The appointment of the SHSO Board of Directors is another step towards the autonomisation of public hospitals and health centres, and for this reason the CCCI attributes great importance to the role and mission of the Board of Directors appointed by the Government. It expects that the process of appointing a General Manager and a Financial and Operational Manager will be completed soon, paving the way for the autonomisation and change of the organisation and way of operation of public hospitals within the framework of the GHP.

It is the CCCI’s position that, before launching the GHP, it is necessary to lay down and publicise concrete timetables concerning the achievement of certain objectives/deliverables 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. In case this does not happen, it would mean the failure of the whole reform.

In order to ensure the provision of high-quality health services and fair competition conditions among the hospitals that will opt to collaborate with the Health Insurance Organisation (HIO), the CCCI suggests that these (public and private) should adopt international standards in relation 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 pricing of the health services as they will be compensated by the HIO on the basis of best international practices (agreed medical protocols, if applicable) should be completed and agreed by March 2019, in order for everyone involved (hospitals, doctors, diagnostic centres etc.) to know the real cost of the services and its effect on the Organisation’s budget.

The CCCI will continue to closely monitor 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

Following up on the resolution of pending problems concerning functionality and fees at the ports of Limassol and Larnaca, the CCCI participated actively and constructively in a special Committee of the Ministry of Transport, which comprised all involved stakeholders.

In the context of the aforementioned Committee, upon the Chamber’s initiative, the CCCI’s comprehensive and detailed memo-
The establishment of the Deputy Ministry of Shipping, which has been designed in a way that will allow it to operate with an innovative flexibility, will enable the Cypriot shipping industry, which develops its activities and competes daily on an international basis, to materialise development strategies in response to the constantly growing demands of the global economy and international competition. These measures, combined with our competitive shipping tax framework, put Cyprus in the right direction, enabling it to respond swiftly and effectively to the concrete prospects for further development. 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, which is the “Achilles’ heel” of Cypriot shipping.

At the same time, there is a need to promote “Blue Development”. The necessary support must be provided for the establishment of the Cyprus Marine Institution, which will operate as a research and development platform that will provide guidance as regards the type of research, education and training that are suitable for the maritime and shipping sectors, promote “Blue Development” in general and support the actions emerging from the Comprehensive Marine Policy.

As we are now traversing 2018 with favourable winds, it is becoming apparent that the Cypriot State, through the independent Deputy Ministry of Shipping in collaboration with the Cypriot shipping industry and with constant support by the CCCI, is ready to respond swiftly and effectively to the concrete prospects for further developing the shipping industry, which not only contributes significantly to the economy and the society, but also reinforces our country’s political entity in a pragmatic manner.

LOCAL GOVERNMENT REFORM

The CCCI’s continued to promote its firm position that the number of municipalities should be reduced through the limitation of overlaps, which could be achieved through clustering by region. If appropriately implemented, this change would result in saving funds and would also contribute to the improvement of the services offered to the municipalities’ citizens.

The aforementioned goals will be achieved only through the convergence of views between all stakeholders (Parliamentary Parties, the Unions of Cypriot Municipalities and Communities and other bodies). However, on the one hand, it is absolutely necessary to recognise the problem, namely that the current structure of the Local Government does not secure sustainability, the continuation and the quality of the services offered to citizens, and on the other hand, there must be a sincere willingness and change of mentality, that would allow the materialisation of a reform that would be gradually implemented to the benefit of
the citizens and the economy in general, constituting a pole of recovery and development in the country.

**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 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 the 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 entrepreneurial and economic policy at any given moment, since all proposed laws are submitted to the Parliament in the form of bills in order to be adopted as laws. The performance of parliamentary work in the optimum manner is achieved through the operation of the Parliamentary Committees, which deal with the issues 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 the Cypriot economy to international developments, creating thus new job opportunities of a high added value.

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 commercial services offered at the ports of Limassol and Larnaca 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 collaborating closely with and briefing 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**

In the context of the CCCI’s participation in the meetings of the Parliamentary Committee on Energy, Trade, Industry and Tourism, the CCCI submitted a comprehensive memorandum containing its positions regarding the promotion and encouragement of the use of renewable sources of energy (RSE) to the President and the members of the said Committee. The CCCI’s positions reflect the Chamber’s observations/comments on the relevant 2018 Amending Law.

The CCCI’s basic position focuses essentially on the operation of the One-Stop Shop Committee for the authorisation of RSE projects, whose penetration should be further facilitated with a view to achieving our national goals for 2020. The CCCI points out that its proposal can be materialised through the further development of our local economy, avoiding either the imposition of penalties by the EU or the method of statistical transfer concerning the purchase of a part of the electrical power that is produced by RSE from other member states or even third countries in exchange for financial compensation that will be added to the public expenditure.

Moreover, the CCCI supports that, through encouraging and facilitating such investments, apart from achieving the national goal that has been determined for us, we encourage new investments in our country, which will in turn create new job opportunities for a significant part of our fellow unemployed citizens, while
also contributing to the increase of the State’s revenue.

**PROMOTING AND MUTUALLY PROTECTING INVESTMENTS BETWEEN CYPRUS AND OTHER COUNTRIES**

The CCCC considers that the shaping of an appropriate legal framework that would specifically regulate all aspects concerning the investments of Cypriot entrepreneurs abroad as well as the investments of foreigners in Cyprus is a matter of great importance. 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 to 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 looks forward to the creation of favourable conditions for investments.

**ARBITRATION MEDIATION**

During the period under review, the CCCI, considering the benefits for entrepreneurial activities, continued to promote 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 CCCI’s involvement in arbitration dates back a long way and focuses on finding the appropriate arbitrator for each case, whose involvement in the mediation procedure is established by 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. During the period under review, a programme was organised, which trained approximately 20 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.

In addition, the CCCI issued a circular reminding its members about the benefits of mediation for enterprises, the mediations’ high success rates and the simple and easy access to the relevant services offered by the CCCI, calling upon its members to intensify their use of the services, since this would undoubtedly work to their benefit.

Finally, during the period under review, the Cyprus Mediation Association was registered with the CCCI.

**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) operating under the aegis of the Central Bank.

The Payments Committee is responsible for policy making and the drafting of strategies for responding to challenges concerning payments as well as for exploiting the opportunities that arise from the changes in the European and the broader landscape of payment services, while keeping in mind Cyprus’s particularities.

During the period under review, the CCCI also participated in a survey conducted by the Central Bank concerning the transition to the SEPA and in a special event organised by the Central Bank on “The achievements and challenges of the banking sector in Cyprus and the relevant European perspective”.

Meeting of the CCCI’s Board of Directors with the President of the Democratic Rally (DISY)
BOUNCED / POST-DATED CHEQUES

According to the data of the Central Bank’s Central Information Record (CIR), whereas in 2017 the number of bounced cheques was reduced to 1040 as compared to 1131 in 2016, the value of bounced cheques increased, reaching €2,252,382 in 2017 as compared to €2,130,314 in 2016. Although the situation has significantly improved in comparison with the years of the crisis, 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.

During the period under review, 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. At the same time, it strongly supports all the actions and measures taken in order to curb and combat this unacceptable practice.

It is the CCCI’s position that the problem can be curbed effectively only through limiting the use of cheques as a means of payment and promoting the economy’s digital transformation by using other means of payment such as bank transfers, direct debits etc. The authorities should promote other means of payment in a much more intensive fashion, and the CCCI recommends that its members include their payment details (bank account no., IBAN and BIC) in their invoices, according to the relevant European Regulation, in order to make payments via bank transfer possible.

PROMOTING WOMEN’S ENTREPRENEURSHIP

During the period under review, the CCCI kept collaborating closely and intensively with the Cypriot Federation of Business and Professional Women (BPW Cyprus), which is associated with the CCCI. The CCCI firmly believes that women’s entrepreneurship largely contributes to growth, innovation and the creation of new employment opportunities. Therefore, in collaboration with BPW Cyprus, it has always supported and promoted women’s entrepreneurship in various ways (as the European Union itself does).

Specifically, the CCCI promoted to its members the BPW’s Manual of Good Practices, which essentially resulted from a survey across Cyprus concerning women’s equal pay and the relevant good practices in Cypriot enterprises. The survey was conducted by BPW Cyprus with the support of the CCCI.

At the same time, the CCCI appointed the President of BPW Cyprus as the CCCI’s representative at the re-established Eurochambres Women Network, while it kept informing BPW Cyprus about conferences and events abroad concerning women’s entrepreneurship, of which the CCCI is informed through its international network. The CCCI also informed the members of BPW Cyprus about the 2nd announcement of the Schemes for Reinforcing Women and Youth Entrepreneurship of the Ministry of Energy, Commerce, Industry and Tourism.

During the period under review, the CCCI issued a press release on the occasion of the Equal Pay Day, urging its members to implement equal pay for equal work among men and women.

Moreover, several meetings were held between the leadership of the CCCI and BPW Cyprus, aiming at further strengthening the collaboration between the two organisations and coordinat ing their upcoming actions.

It is also worth noting that BPW Cyprus organised two successful events on the battle of the sexes and the necessity of striking a balance between the sexes. Representatives of the CCCI participated in both events.

Finally, it would be a mistake not to mention the international acclaim given to BPW Cyprus through winning the “Power to Make a Difference” award of the International Federation of Women Entrepreneurs. The CCCI congratulated BPW Cyprus for its success and hoped for even more distinctions in the future.
UNITED KINGDOM’S EXIT FROM THE EUROPEAN UNION (BREXIT)

During the period under review, the CCCI, in collaboration with the Cyprus-UK Business Association, intensified its activities concerning the Brexit, which will undoubtedly affect Cypriot enterprises and our economy in general, due to Cyprus’s close relations with the UK.

Specifically, after submitting their views on the possible consequences of the Brexit, meetings were organised between the Group of the Ministry of Foreign Affairs dealing with the Brexit and private sector actors of the Cypriot economy under the auspices of the CCCI. The meetings’ objective was the exchange of views and the forwarding of views/concerns in relation to the Brexit negotiations.

Furthermore, representatives of the CCCI met with the Special Representative of the City of London, who visited Cyprus in order to inform and exchange views as regards the Brexit.

A panel discussion was also organised in collaboration with the Cyprus-UK Business Association, the British High Commission and the Institute of Chartered Accountants in England and Wales (ICAEW), about the developments concerning the Brexit. The British High Commissioner, the Chief Executive of the ICAEW and the President of the Cyprus Investment Funds Association spoke at the event.

In addition, the CCCI continued to send information material regarding the Brexit, including the EU’s special website. It should be further mentioned that the CCCI issued an announcement expressing its concerns as regards the slow pace of the relevant negotiations between the EU and the UK, pointing out that it is necessary to ensure healthy and predictable circumstances for European enterprises and, of course, Cypriot enterprises, due to our country’s close commercial and economic relations with the UK. “We expect the Brexit to be mild, but we cannot make our enterprises wait any longer”, pointed out the CCCI.

ECONOMIC DIPLOMACY

Recognising the great importance of economic diplomacy for enterprises, the CCCI welcomed the establishment of a relevant Service of the Ministry of Foreign Affairs and accepted the invitation to participate through a representative in the Steering Working Group operating under the aegis of the Ministry.

Moreover, the CCCI organised a successful special event on Entrepreneurship and Economic Diplomacy, where the Minister of Foreign Affairs and the Minister of Energy, Commerce, Industry and Tourism presented the relevant action taken by their Ministries as well as their planned initiatives for their further reinforcement.

The CCCI also actively participated in a training event of the diplomatic staff of the Ministry of Foreign Affairs, where it made a presentation on economic diplomacy issues. The event was organised in Cyprus and was addressed to the Heads of Cyprus’s Diplomatic Missions abroad.

During the period under review, the CCCI regularly participated in the meetings of the Working Group and the events of the Ministry’s Service, where foreign ambassadors in Cyprus and other personalities acted as speakers.

Finally, it should be mentioned that the CCCI participated in the drafting of the call of the Ministry of Foreign Affairs for the submission of proposals for the provision of technical assistance aiming at reinforcing the development of policy and practice of economic diplomacy in Cyprus.

CCCI BUSINESS LEADER AWARDS

The objective of this event is to offer public acknowledgement to those Cypriot entrepreneurs who, through their business activity, not only have developed their business, but have also contributed to the development, maturity and upgrading of the Cypriot business world in general.

The event is organised in collaboration with IMH, with the main sponsors being EY, EUROPEAN UNIVERSITY, CABLENET BUSINESS, GLENDFIDDICH of the company LAIKO COSMOS TRADING and SKLAVENITIS supermarkets.

For the year under review, the following awards were granted:

• EY Honorary Award for Overall Contribution to Entrepreneurship
  Michalakis G. Leptos, Leptos Group of Companies

• Business Leader for the Shipping Sector
  Polys V. Hajioannou, Safe Bulkers INC

• Business Leader for the Manufacturing Sector
  Evi Papadopoulou and Kikoula Kotsapa, KEAN Group of Companies

• Business Leader for the Financial and Professional Services Sector
Loukis Papaphilippou, L. Papaphilippou & Co LLC

• Business Leader for the Services Sector
  Symeon Kassianides, Hyperion Systems Engineering

• Business Leader for the Tourism, Hospitality and Leisure Sector
  Michalis Andreou and Renos Andreou, McDonald’s Cyprus

• Business Leader for the Trading Sector
  Petros Mintikkis, A. Mintikkis Farm Ltd

BUSINESS ETHOS AWARDS

This year, the Cyprus Integrity Forum was placed under the aegis of the CCCI. The CCCI supports the organisation’s work, which began in 2010, and promotes its activities, such as the ones being carried out in the context of providing know-how and expertise to the State, supporting the society through various programmes it conducts in the fields of education, sports and health, reinforcing enterprises through adopting measures against corruption, promoting transparency and integrity and producing research.

During the period under review, the CCCI, in collaboration with the Cyprus Integrity Forum, organised the 1st Business Ethos Awards in Cyprus, with the objective of promoting the principles of transparency and integrity in the business sector.

The purpose of the Awards is to encourage, recognise and reward extraordinary efforts which are proven to contribute to the eradication of corruption and the reinforcement of transparency and responsibility in Cypriot enterprises and organisations. Through this initiative, the organisers aspire to encourage enterprises, both public and private, as well as public interest organisations, to integrate through structured practices and behaviour the principles of transparency into the involvement of employees, the administration and their shareholders with their customers and suppliers.

The awards are granted to enterprises and organisations who have been proven to promote and implement values of moral and social commitment against corruption, positively contributing to the society and strengthening the correct manner of conducting business. The Awards were sponsored by PwC Cyprus.

ANNUAL ACTIVE CITIZEN AND EMPLOYEE VOLUNTEER AWARD

During the period under review, the CCCI participated in the Evaluation Committee for the selection of the award winners of this annual event, which takes place under the auspices of the Commissioner for Volunteerism and NGOs. Through its participation, the CCCI supports this event, which undoubtedly contributes to the promotion of the praiseworthy action of volunteerism. The awards were granted by the President of the Republic at a special ceremony held at the Presidential Palace.

PROMOTION OF THE CYPRIOIT ECONOMY IN THE INTERNATIONAL MASS MEDIA

One of the basic actions of the CCCI is the granting of interviews by its President and Secretary General to international mass media in relation to the progress and developments of the Cypriot economy.

The 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 to foreign companies as a basis for carrying out 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.

**FRAUD BY FOREIGN COMPANIES**

The phenomenon of fraud committed by foreign companies continued during the period under review, presenting an upward trend recently. This is why the CCCI has repeatedly issued announcements urging its members to be particularly vigilant in case they receive suspicious/ambiguous/misleading letters and ignore them. In case they have any suspicion or even doubt, they should immediately contact the CCCI before entering into any actions/commitments that might leave them seriously exposed.

**NEW REGULATIONS ON MOTOR VEHICLES CONCERNING THE CARRYING OF THE MAXIMUM PERMISSIBLE GROSS WEIGHT**

The CCCI, after methodically expressing its well-substantiated positions and arguments to the competent State Authority, namely the Department of Road Transport, achieved the increase of the maximum permissible gross weight to be carried by business vehicles/trucks, bringing positive consequences to enterprises (e.g. less routes with a corresponding decrease of transport costs and maintenance costs, fuel savings etc.).

The aforementioned positive arrangement provides important benefits not only to private sector enterprises but to the country in general (e.g. less traffic, reduction of air pollution, reduced use of the roadway, thus increasing its lifespan with less maintenance etc.).

**NEW LAW ON THE ENVIRONMENTAL IMPACT OF CERTAIN PROJECTS**

In the context of its role as the primary private sector body providing information to the commerce and industry people across Cyprus, the CCCI, in collaboration with the Department of Environment, organised a series of information meetings held in all Local Chambers, in order to analyse the provisions of this new Law, which entered into force on 31 July 2018.

During these meetings, the participating entrepreneurs were given the opportunity to receive comprehensive answers and clarifications to their questions.
Photos from the granting of the CCCI Business Leader Awards
INDUSTRY
Cyprus’s Digital Strategy

The development of digital technologies and their application in national economies is a global trend as well as a priority of the European Union. Therefore, the swift incorporation of digital technologies into enterprises is a crucial factor for the improvement of their competitiveness and the constant growth of the economy.

Recognising the urgent need to digitalise the Cypriot economy, the Cyprus Chamber of Commerce and Industry, in collaboration with the Federation of Employers & Industrialists and funded by Logicom, CYTA and the Bank of Cyprus, commissioned Accenture to conduct a study entitled “Cyprus’s Digital Strategy”. The purpose of the study was to evaluate Cyprus’s digital maturity in general and that of selected sectors of the economy, and lay down the country’s digital vision and strategy.

In this context, members of the CCCI were asked to participate in the study by filling in a relevant electronic questionnaire. Moreover, the CCCI organised several working meetings with the most important sectors of the Cypriot economy, where presentations and discussions concerning the emerging international digital trends and how they affect each sector took place. In addition, the inhibitory factors preventing the economy’s digitalisation were recorded as well as proposals for supportive measures the government and public bodies could implement for their elimination.

Cyprus’s New Industrial Policy for 2018-2030

Last year, the CCCI submitted to the Ministry of Energy, Commerce, Industry and Tourism a comprehensive proposal-study regarding a new industrial policy. The CCCI’s proposal aimed at the revival of the current industrial sectors and the development of new sectors and technologies through the essential promotion of research, technological upgrade and innovation.

In this light, the CCCI actively participated in the working group established by the Ministry of Energy, Commerce, Industry and Tourism for the purpose of creating Cyprus’s New Industrial Policy for 2018-2030. The policy drafting group adopted a bottom-up approach, giving industries from all sectors the opportunity to express their views by participating in a specialised conference and working groups based on six strategic materialisation pillars.

The pillars are the following: infrastructure for sustainable development/production; improvement of the industrial/business environment; digitalisation and development of new skills; reinforcement of access to funding and reinforcement of access to the markets; extroversion; exports; and investments.

The CCCI, after reviewing the final draft of the study, submitted a document containing specific suggestions and comments that, if adopted, would enhance the immediate and practical benefits of the new industrial policy for the industries.

Study for the Evaluation of the Institution of State-Owned Industrial Areas

Industrial areas constitute an important tool for the development of industry in Cyprus. That is why the resolution of the structural problems they are facing and their smooth operation have always been matters of concern to the CCCI. Today, a total of 13 state-owned industrial areas operate, while the operation of the 14th industrial area in Vasiliko is expected to begin soon.

The CCCI, together with a large number of its members that maintain their facilities within the industrial areas, actively participated in drafting the final study concerning the evaluation of the institution of industrial areas that was announced by the Ministry of Energy, Commerce, Industry and Tourism and assigned to PwC. Among other things, the study’s aims included the general evaluation of the institution of industrial areas, the investigation of the problems faced by industry and the State, the proposal of the most appropriate ways to resolve them, the modernisation of the industrial areas and the preparation of a plan for improving their management and ensuring their future development.

Stabilisation of Rents in State-Owned Industrial Areas

Industrial areas are an important tool for development and a necessary ingredient of the State’s industrial policy. This is why the European Commission has urged all its member states to implement programmes and policies that will enable industry to restate itself as the main economic activity, significantly increasing its contribution to each country’s GDP.

Through the CCCI’s coordinated actions, the stabilisation of rents in state-owned industrial areas for the next five years was achieved. This is a very positive development for enterprises
operating in industrial areas, and for this reason the CCCI welcomed the decision of the Ministry of Energy, Commerce, Industry and Tourism to satisfy its request.

Permanent Committee for Industry

The objective of the Permanent Committee for Industry is to define the Chamber’s industrial policy and examine the totality of the issues directly or indirectly affecting the industry sector. The Committee is chaired by the CCCI’s Vice President for Industry, Mr Dinos Mitsides. During last year, the Committee dealt with several issues such as the establishment of a new industrial policy by the State, the cost of rents of state-owned land in industrial areas, the increased electricity cost resulting from the application of the new fixing of prices and the cost of sewage fees as a result of the new valuations conducted by the Department of Lands and Surveys.

Meetings in Industrial Areas

The organised visits to industrial areas of all districts continued with great success. The principal aim of the visits, which will be carried out at regular intervals on an annual basis, is to record the problems faced by the members in each area and district.

In this context, a visit was organised to the industrial area of Agios Athanasios in Limassol, with the participation of a delegation of the CCCI’s Board of Directors and the CCCI’s Permanent Committee for Industry and the Minister of Energy, Commerce, Industry and Tourism. Representatives from all the industrial areas of Limassol attended the meeting, where they had the opportunity to discuss their problems and concerns with the competent Minister and the Chamber’s leadership.

Non-Packaging Paper Waste Management Company

The CCCI took on the initiative of establishing a non-profit company for the management of non-packaging paper waste. The CCCI took the matter one step forward, since, according to the legislation, manufacturers are obliged to put in place individual or collective systems for the management of non-packaging paper waste. Since it has been proven that it is not economically or practically possible for this obligation to be met by each enterprise separately, usually collective systems are developed by companies for the exclusive purpose of fulfilling this obligation.

The legislation is based on the extended principle of producer responsibility and affects all natural or legal persons who for the purpose of their professional operations supply the Cypriot market with non-packaging paper. According to the legislation, the recycling target of each collective system may amount to up to 75% of the total quantity made available to the market by its members.

Implementation of the Net Billing System in Enterprises and Upgrading of the Net Metering Scheme

The CCCI was pleased that the competent Ministry announced that its request for the implementation of the Net Billing System in enterprises will be satisfied and that the Net Metering scheme will be upgraded.

The implementation of the Net Billing system in enterprises has been a firm request of the CCCI as regards Renewable Sources of Energy issues. The new scheme is expected to reduce the cost of energy bore by enterprises that have implemented or will implement Renewable Sources of Energy systems, since the energy surplus that is not consumed at their facilities will be channelled back to the EAC network and will be compensated according to the avoidance cost in question.

The scheme for the auto-production of electricity through the use of photovoltaic systems that was in place until recently could not satisfy enterprises, since the electricity produced was channelled to the EAC network without any compensation, thus rendering the investment economically unviable. As a consequence, the CCCI requested that the system be modified in a way that would allow commercial and industrial consumers to obtain benefits from channeling the energy surplus to the EAC network.

Furthermore, the CCCI’s request for upgrading the announced Net Metering Scheme through doubling its authorised power was satisfied (from 5 to 10 kW). Under these conditions and given the power increase, small and medium enterprises have the opportunity to exploit the scheme and obtain reduced electricity cost for their facilities.

The CCCI has always supported that the implementation of both Schemes, apart from benefiting the environment, would essentially help to spread Renewable Sources of Energy to all kinds of hotels, industries and commercial activities, reducing the high cost of energy and practically improving the competitiveness of enterprises and the economy in general.

The CCCI organised a series of presentations across Cyprus (Nicosia, Limassol, Larnaca, Paphos and free area of Famagusta) in collaboration with the Energy Service of the Ministry of Energy, Commerce, Industry and Tourism.
In 2017 the gross domestic product at current market prices increased by 5.8%. According to the official preliminary data, in 2017 it amounted to €19,570.9m as compared to €18,490.2m in 2016. The participation of the tertiary sector in the gross domestic product amounted to 86.7% as compared to the contribution of 2.0% of the primary sector and of 11.3% of the secondary sector.

Tourism

2017 was the best year of all times as regards tourist arrivals in Cyprus. Specifically, in 2017 tourist arrivals reached 3,652,07, presenting an increase of 14.6% as compared to 2016.

The revenue from tourism also increased significantly, amounting to €2.639,1bn as compared to the previous year’s €2.363,4bn, presenting an increase of 11.7%.

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

It is expected that 2018 will also be a successful year for Cypriot tourism, with high performance both as regards arrivals and revenue. Nonetheless, we should definitely not be complacent about this success, considering the fierce competition from neighbouring countries such as Turkey and Egypt, which are in the process of recovery and offer particularly low prices, thus increasing competition even more.

If we want to boost our competitiveness as a tourist destination, our permanent aspiration should be to constantly improve our tourism product and the services we offer in order 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 coordinating 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:

- 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 Tourism 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 Association of Diving Centres;
- the Association of Cypriot Women in Tourism;
- the Cyprus SPA Association;
- the Cyprus Association of Leisure Parks and Attractions; and
- the Cyprus Association of Marinas.

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:

- the submission of the CCCI’s positions regarding the new National Tourism Strategy;
- the submission of the CCCI’s position regarding the establishment of the Deputy Ministry for Tourism;
- the speeding up of the procedures for the issuing of visas;
- ways to develop special forms of tourism; and
- the submission of the CCCI’s positions regarding the new general regulations for hotels.
Deputy Ministry of Tourism

The CCCI welcomes the Parliament’s decision concerning the establishment of the Deputy Ministry of Tourism, thus completing one more reform initiative.

Being a country that is very much dependant on tourism, Cyprus needs to have a decentralised and well-organised government structure such as the Deputy Ministry of Tourism, which will be responsible for establishing policy and take on initiatives for its implementation, away from bureaucratic procedures.

The CCCI considers that, through the right moves and the completion of several tourism infrastructure projects, Cyprus’s high performance in the tourism sector will continue, reaching the target of 4 million tourist arrivals soon. It is the CCCI’s position that, in order to achieve this target, the Deputy Ministry should focus, inter alia, on enriching and upgrading our tourism product and extending the tourist season.

The Deputy Ministry of Tourism, which will launch its work on 2 January 2019, will be called upon to materialise the National Strategy for Tourism as formed by the deliberations between all involved stakeholders.

National Strategy for Tourism

After conducting a thorough study and on the basis of the comments of all interested Tourism Associations participating in the CCCI’s Permanent Committee for Tourism, the CCCI submitted specific and substantiated views concerning the new National Strategy for Tourism.

Hotel Legislation and Regulations

Regarding the 2018 Law & General Regulations concerning the Regulation of the Foundation and Operation of Hotels and Tourist Establishments, the CCCI submitted specific views on several provisions of both the law and the regulations, while it also participated in the meetings of the Parliamentary Committee on Trade, where it elaborated on its views.

Establishment of the Cyprus Association of Marinas

The Cyprus Association of Marinas, founded and operating under the umbrella of the CCCI, aims at the significant development of Cyprus’s marine tourism and, by extension, the qualitative improvement of our tourism product.

The Association has planned targeted actions and measures, with the objective of rendering Cyprus a worthy and high-quality destination for sea and marine tourism lovers.

Participation in the Enterprise Europe Network (Sector Group Tourism and Cultural Heritage)

Preserving Europe’s world leadership as a tourist destination is a principal goal of the European Commission. The Enterprise Europe Network, wishing to contribute to the new European framework policy on European tourism and to 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”. To this end, as of 2011, the CCCI participates in two annual formal meetings, brokerage events and particular fairs/fora specialising in tourism.

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 resulted from 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.

Promoting Cyprus as an international healthcare centre and a high-quality health tourism destination is a firm position of the CCCI, which takes actions towards this end, always in close collaboration with the HSPB, which operates under its aegis.

The establishment of the HSPB upon the CCCI’s initiative reflects perfectly the idea of promoting Cyprus’s healthcare services in a collective and organised manner. This is achieved through the various actions taken, both in Cyprus and abroad, the organisation of events and fora and the participation in international and specialised fairs concerning the medical tourism sector.

On 27 September 2017, the 3rd forum for promoting Cyprus as a health tourism destination was held in St. Petersburg under the title “3rd Cyprus-Russia Health Tourism”. The forum included a press conference, a presentation of Cyprus as a health tourism destination and B2B meetings with Russian professionals of the sector. On 29 and 30 September Cyprus participated with a national stand in Moscow’s specialised fair on medical tourism “Moscow Medshow”, where the participants had the opportunity to inform both the public and professionals about Cyprus’s advantages as a medical tourism destination. The Cypriot mission was composed of representatives and members of the HSPB, the Cyprus SPA Association and the CTO, who engaged in contacts in order to promote the health tourism sector and enter into collaborations. A mission of a similar nature was carried out in October 2018 in Moscow.
What is more, for the second consecutive year, Cyprus, led by the Cyprus SPA Association, which operates under the aegis of the CCCI, and with the active support of the Chamber, actively participated in the Global Wellness Day organised on 10 June 2017, which was attended by more than 1,500 participants. The Global Wellness Day was equally successfully held again in June 2018. With the participation of 73 countries, Global Wellness Day, is a non-profit day that is dedicated to well-being and constitutes a social project created by volunteers. The main purpose of this event is to enlighten us on the value of wellness. During the GWD, Spa, gyms, wellness centres and schools presented projects centred in well-being, from morning to afternoon, and subsequently the participants joined various exercise programmes on a central platform that was set up across the Limassol Jetty.

Developing Cyprus as an attractive destination for health tourists will increase the flow of tourists and contribute towards the minimisation of the seasonality problem, achieving the extension of the tourist season.

Personal Data Protection

The new regulation concerning the protection of personal data, known as the GDPR, entered into force on 25 May 2018. In this context, in November 2017 the CCCI organised a special presentation with the Commissioner of Personal Data Protection as speaker, who informed enterprises about the regulation’s provisions and how they are harmonised with the GDPR. In 2018, two conferences were organised in Nicosia and Limassol entitled “Personal Data Protection & GDPR Compliance Solutions” as well as a series of seminars concerning not only general aspects of the regulation, but also the duties of the Data Protection Officer (DPO). Sectoral presentations were also held for the health and tourism sectors, with the Commissioner of Personal Data Protection as speaker. Finally, the Cyprus Association of Information Protection and Privacy was established in 2018, under the auspices of the CCCI. The Association’s principal aims consist in making known and developing the profession of personal data protection professionals, informing enterprises on personal data protection issues on a regular basis, setting high standards of professionalism and demanding Codes of Conduct for the relevant professions.

Education Services

The CCCI, in collaboration with the Ministry of Energy, Commerce, Industry and Tourism and with the support of the Ministry of Education and Culture, continued to promote education services, especially those related to Higher Education.

A very successful mission was organised in 2017 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 all interested persons were able to receive more information. Similar missions were organised in March 2018 in Athens, Patras and Kalamata and in October 2018 in Russia, specifically in Moscow and Nizhny Novgorod, while a mission is Jordan has been scheduled for the beginning of December.

International Education Fair “Education and Career”

The International Education Fair “Education and Career” has been established as an annual event.
Its organisation in February 2018 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

The impressive recovery of the economy is largely owed to the improvement of the real estate sector. This can be verified by the sales of real estate (as demonstrated by the increase of sale agreements at the Department of Lands and Surveys in comparison with last year), foreign investments, the issuance of construction of building permits, real estate prices and the reduction of unemployment.

It is apparent that sales have increased sharply, and this is owed not only to the granting of loans on better terms and lower interest rates, but also to the measures taken by the government, such as the zero tax on capital gains occurring from the sale of real estate property and the reduction of transfer fees by 50%.

In relation to foreign investments, the government’s scheme of citizenship acquisition through investment acted as an incentive, contributing to the increase of the state’s tax revenue and the creation of job opportunities.

The sharp increase of sales for the fourth consecutive year is also demonstrated by the government’s statistical data.

Although prices rose as a result of the increase of demand, Cyprus is still one of the countries with the lowest real estate sale prices.

Foreign investors prefer Cyprus not only because of its low prices (in comparison with other countries), but also because of the island’s attractiveness as a high-quality destination, the good climate, the high quality of life and safety, since criminality rates are low.

The land development sector remains an important pillar of the economy’s growth, significantly contributing to the GDP and creating thousands of job opportunities.

Among other issues examined and promoted by the CCCI was the proposed Law on “Jointly Owned Buildings and Quasi-Jointly Owned Buildings”, which aims at regulating the management of jointly owned buildings separately from the inscription of co-ownership percentages and titles.

Moreover, the CCCI, in collaboration with the Institute of Certified Public Accountants of Cyprus (ICPAC), submitted a memorandum concerning the Government’s intention to abolish section 11B of the VAT Law. The memorandum expresses the views and arguments of the CCCI and the ICPAC as well as the reasons why the two organisations disagree with abolishing section 11B.

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 sector, 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 taxation and tax incentives issues in relation to the real estate market.
TRADE
International economy

The growth of International Trade was the fastest since 2011, despite political uncertainty that threatened growth rates.

Global recovery, which began in mid-2016, has become broader and faster, according to the statistics of the International Monetary Fund (IMF) and the World Bank (World Bank). The growth rate of the economy for 2017 is estimated at 3.7%, whereas for 2018 it is estimated at 3.9%.

The World Economic Outlook survey estimated that recovery is not full and that advanced economies will continue to expand as a group beyond their potential growth rates, which will slow down from 2018 onwards. While growth in emerging markets and developing economies will speed up, the current favourable growth rates will not last for the most of the countries. For the majority of advanced economies, lending will remain at high levels, while inflation falls below the target.

Policy makers should take advantage of this opportunity in order to reinforce growth and commerce, render it more resistant and equip their governments for the next downturn.

Increasing commercial and economic flow between the European Union and the rest of the world

In 2018, the commercial transactions of the EU-28 with the rest of the world (sum of imports and exports with countries outside the EU) amounted to €3,735bn (Eurostat). Both imports and exports were higher as compared to 2016, with the increase of exports (€134bn) being a bit lower than the increase of imports (€143bn). As a result, the surplus of the EU-28 remained positive, although it decreased from €32bn in 2016 to €23bn in 2017.

In the EU, exports increased by 7.4% and imports by 7.3%, recording the fastest growth rates since the fourth quarter of 2010. France, Germany and Italy recorded growth rates exceeding 7%, while the UK’s exports increased by 5.5% during the same period. Imports in France, Germany, Italy and the UK also presented a dynamic increase by 8.8%, 6.8%, 7.1% and 5.2% correspondingly.

The most important characteristic of the developments in international trading of goods and services for the period between 2006-2017 has been China’s continuous development as one of the leading trading countries in the world. China’s share in global goods and services exports increased from 9% to 13.6% during the period between 2006-2017, while its share in imports increased even faster, namely by 4.9%, reaching 12% in 2017.

Domestic Trade (Imports/Exports)

Poor liquidity and borrowing difficulties due to the banks’ stricter checks and the non-performing loans, the issue of equal footing regarding governmental agencies’ controls and the transition to the new status of the port of Limassol were the most important issues faced by small and medium-sized enterprises in 2017.

According to the data of the Statistical Service, total imports of goods for the period between January-December 2017 amounted to €8,092.8m as compared to €7,117.5m for the corresponding period in 2016. Total exports of goods for the period between January-December 2017 amounted to €2,961m as compared to €2,714.2m for the corresponding period in 2016. For the period between January-December 2017, the trade balance deficit was €5,131.8m as compared to €4,403.3m for the corresponding period in 2016.

For the period between January-December 2017, total exports of domestically produced goods, with the exception of vessel and aircraft supplies, amounted to €1,241.4m as compared to €953.5m for the corresponding period in 2016. Total domestic exports of industrial products for the period between January-December 2017 amounted to €1,123.4m as compared to €839.6m for the corresponding period in 2016. Total domestic exports of agricultural products for the period between January-December 2017 amounted to €99.2m as compared to €102.6m for the corresponding period in 2016.

Export Awards

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

The Selection Committee, which is composed of representatives of the Ministry of Energy, Commerce, Industry and Tourism and the Cyprus Chamber of Commerce and Industry, after examining all the applications on the basis of defined criteria, decided to grant the awards to the following companies for 2016:

1. Export Award for Industrial Products / Award for enterprises employing up to 50 persons:
   “FOODRAM TRADING LTD”
The granting of the Cyprus Export Awards

2. Export Award for Industrial Products / Award for enterprises employing more than 50 persons:
   “FIREPRO SYSTEMS LTD”

3. European Union Award
   “PETROU BROS DAIRY PRODUCTS LTD”

4. Special Award for Industrial Products
   “ELYSEE IRRIGATION SYSTEMS LTD”

5. Export Award for Agricultural Products
   “KIMAGRO FISHFARMING LTD”

6. Export Award for Services
   “ARMONIA ESTATES LTD (MEMBER OF THE LEPTOS GROUP)”
   “ODYSSEY CONSULTANTS 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 stable and balanced development of trade, regarding both exports and imports, is a firm target of the CCCI.

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 main issues discussed and promoted during the period under review were the following:

- Guarantee letters, company loans, reinsurance issues, legislation on factoring, bounced cheques and relations with banks in general
- Participation in international fairs abroad
- Determination of the minimum wage
- Working hours of shops
- Late payments
- Unequal treatment and unfair competition between importers who are not controlled on an equal footing by the competent government agencies
- Mandatory registration of everyone dealing with imports with Green Dot
- Strict implementation of the regulations concerning the preservation-storage of products in approved facilities and their transfer according to the applicable regulations.
- Package labelling check/management for recycling purposes at import
- Suggestion of the Committee for the drafting of a new control list of importers and their facilities for product storage, management and labelling
- Draft law on the alternative resolution of consumer disputes
- Privatisation of the port of Limassol, service and fees
- Problems faced by the Association of Wine Producers
- Trade missions for the promotion of Cypriot products abroad
- Focus Groups & Agenda for the 3rd CCCI Trade Conference
- Tobacco smuggling – the over-taxation of tobacco products which benefited only smugglers from the occupied Cyprus
- Unlabelled agricultural products from occupied Cyprus
Basic VAT Principles, Obligations, Compliance by Self-Employed Persons, SMEs and Start-Ups

In the context of its activities and its constant efforts for upgrading the quality of the services offered to its members, whether they are self-employed persons, start-ups or family and small and medium-sized enterprises, the CCCI organised a seminar entitled: “Basic VAT Principles, Obligations, Compliance by Self-Employed Persons, SMEs and Start-Ups”.

The seminar’s aim was to inform the participants and explain the basic principles concerning the VAT and its refund from foreign non-member countries as well as the expenditure incurred for operational purposes. Moreover, the seminar provided information on fiscal charges and the settlement of payments either through an arrangement or a scheme for the payment of arrears of each enterprise, self-employed person and start-up.
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, American, Asian, African and Middle Eastern countries, as well as through holding private business meetings between enterprises from Cyprus and the visited countries. During the period under review, particular emphasis was placed on upgrading the quality of private business meetings, which was achieved through the utilisation of the services of specialised firms.

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, and in some cases the trilateral, business relations with these countries.

Constant efforts are also being made towards promoting Cyprus as a regional base for companies operating in the European Union (with particular emphasis on the United Kingdom), the USA, the Middle East, Asia and Africa.

In the context of the CCCI’s institutional role and the strategic utilisation of economic diplomacy, the CCCI and the relevant Business Associations hosted missions from the advisory parliamentary bodies of Saudi Arabia and Kuwait.

It is also worth mentioning that the CCCI has become actively involved in the effort made by the Ministry of Energy, Commerce, Industry and Tourism for upgrading Cyprus’s commercial centres abroad. Specifically, the CCCI was invited to express its views regarding the commercial centres’ role and work, sending at the same time a relevant questionnaire to its members.

BUSINESS MISSIONS AND FORA ABROAD

The CCCI, in close collaboration with the Ministry of Energy, Commerce, Industry and Tourism, continued to work intensively in order to promote Cyprus and its services abroad through organising a great number of 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 regional base for entrepreneurial activities. As part of our strategy, promising sectors of the economy were selected on the basis of defined criteria, which were then promoted to specific markets of interest.

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, meaningful meetings held with the participants of the Cypriot mission.

Special mention should be made to the business missions that took place in the United Kingdom (London) and the USA (New York), which were led by the Minister of Energy, Commerce, Industry and Tourism. The Minister of Health also participated in the USA mission.

INTERSTATE / REGIONAL 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 interstate or regional business associations, always in close collaboration with 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, 37 Interstate and Regional Associations operate, with the participation of a great number of reputable Cypriot and foreign enterprises operating in Cyprus. During the period under review, the Cyprus-Belarus and the Cyprus-South Asia Business Associations were established.

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;

- 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 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 expenses of the missions and events organised by them.

The 37 bilateral and regional 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;
- Cyprus-Hungary Business Association;
- Cyprus-India Business Association;
- Cyprus-Israel Business Association;
INTERNATIONAL RELATIONS

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-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; and  
Cyprus-Kuwait Business Association;

MAIN ACTIVITIES OF THE INTERSTATE / REGIONAL BUSINESS ASSOCIATIONS

During the period under review, the bilateral and regional Business Associations held a multitude of events and other activities. Indicatively, the most important events were the following:

Cyprus-China Business Association

Business Mission and Forum in Hong Kong

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

The forum centred on presenting the investment opportunities and the advantages offered by our country as an entry gate to the European Union market. The mission consisted of enterprises from the services sectors such as auditing and accounting services, legal services, tourism and shipping.

“Way to Enter the Chinese Market via Hong Kong” Seminar

The Cyprus-China Business Association and the CCCI, in collaboration with Invest HK and the Hong Kong Economic and Trade Office in the European Union organised a seminar entitled: “Way to Enter the Chinese Market via Hong Kong”. The seminar was held in the context of the effort to develop commercial transactions between the two countries.

At the seminar, representatives of the two organisations presented to the Cypriot enterprises ways of effectively penetrating the Chinese market both as regards products and services.

Formal Dinner on the Occasion of the Chinese New Year

On the occasion of the Chinese New Year, “the Year of the Dog”, a formal dinner was held in March 2018 in Nicosia. The guests...
had the opportunity to watch a performance of Chinese traditional dances and music and enjoyed Chinese dishes.

The dinner was attended by the ambassador of the People’s Republic of China in Cyprus, the President of the CCCI Mr Christodoulos E. Agkastiniotis, the President of the Cyprus-China Business Association Mr Panikos Kaouris and other officials.

China Desk Operation 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 and entrepreneurs interested in opportunities in Cyprus as well as to track down new collaboration prospects between entrepreneurs from the two countries. Moreover, every Tuesday the China Desk offers services through the CCCI’s offices to the Association’s members who are located in other cities.

Cyprus-Russian Business Association

Conferences

The CCCI and the Cyprus-Russian Business Association organised a number of conferences. Specifically, the “Money Conference” was organised in March 2018, a conference on “The Future of the Russian Business in Cyprus” in April and a conference on “Funds & Cryptocurrencies: The new technology” in June. All conferences were held in Limassol and were attended by ministers and other state officials, among others. Speakers and participants from Cyprus and Russia were present at the conference.

Business Missions

Business missions were held in London in February and June 2018, where Cypriot enterprises presented their areas of activity and work to Russians living and developing their activities in the United Kingdom. Furthermore, Cyprus’s advantages and investment opportunities were presented. The missions aim at further promoting investments and collaborations between Cypriot and Russian entrepreneurs as well as Cyprus’s utilisation as an international business centre by Russian companies. Entrepreneurs from the sectors of services, investments, real estate, privatisations, auditing and accounting services, legal services and tourism participated in the missions.

Formal Dinner on the Occasion of the New Year

In December 2017 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 Cyprus and by the Ambassador of the Russian Federation Mr Stanislav Osadchiy.

Russian Desk Operation in Limassol

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 and provide services to such entrepreneurs living 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.

Memorandum of Cooperation between the Chambers of Cyprus, Greece and Israel

In the context of the trilateral summit between Cyprus, Greece and Israel, a memorandum of cooperation was signed between the three countries’ national Chambers (CCCI, Union of Hellenic Chambers and Federation of Israeli Chambers of Commerce).

The ceremony was held at the Presidential Palace, in the presence of the leaders of the three countries. The memorandums were signed by the Presidents of the three Chambers.

The Cyprus-Israel Business Association and the Cyprus-Greece
Business Association, actively supported by the Embassies of the two countries, the Ministry of Foreign Affairs and the Presidency of the Republic of Cyprus, had a leading role in the materialisation of this event.

**Working Lunch of the Cyprus-Israel Business Association**

This year too, the Cyprus-Israel Business Association organised a working dinner in a hotel in Nicosia, with more than 130 participants. The event was organised in close collaboration with Israel’s Embassy in Cyprus.

Mr Eugene Kandel, economist, professor and CEO of the Start-Up Nation Central, was the main speaker with his presentation entitled “Cyprus-Israel Collaboration: An Open Discussion”.

Participants had the opportunity to obtain comprehensive information about the innovation and start-up enterprises ecosystem in Cyprus and exchange views with the 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 200 persons attended the dinner, collecting a substantial amount for reinforcing the Foundation’s work.

**Thematic Event of the Cyprus-Iran Business Association**

On the occasion of its General Assembly, the Cyprus-Iran Business Association, supported by the Iranian Embassy in Cyprus, organised an event entitled “Doing Business in Iran: Opportunities and Challenges”.

The main speakers were Dr Pedram Soltani, First Vice-President of the Iranian Chamber, and the internationally renowned jurist Dr Ardavan Amir-Aslani.

The event was attended by entrepreneurs who are members of the Cyprus-Iran Business Association.

Besides the President of the Republic, the dinner was attended by more than 250 persons, including the Greek Ambassador in Cyprus.

**Thematic Event of the Cyprus-American Business Association**

The Cyprus-American Business Association organised an event
entitled “US Tax Reforms: Overview and the Potential Global Impact».

Specialists in taxation issues from the USA were invited as main speakers of the event. They analysed the burning issue of the tax reforms of the USA and their potential geopolitical consequences.

The event was held with the support of the US Embassy in Cyprus and the participation of many member companies of the Association. This largely successful event was attended by more than 100 participants.

Series of Events of the Cyprus-UK Business Association

Considering the huge importance of the Brexit for Cyprus and Europe in general, the Cyprus-UK Business Association organised a series of activities. Specifically, a panel discussion was organised for the 8th consecutive year in collaboration with the ICAEW (Institute of Chartered Accountants in England and Wales) and the High Commission of the United Kingdom in Cyprus, entitled “Brexit: Current Issues and Developments».

Mr Michael Izza, CEO of the ICAEW participated in the discussion this year again. More than 200 members of the CCCI and the ICPAC participated in the event.

Two dinners were further organised at the High Commission concerning the Brexit and the opportunities created for Cypriot entrepreneurs. The dinners were conducted as round table discussions between selected entrepreneurs from the most relevant sectors of the economy.

At the same time, the CCCI and the Cyprus-UK Business Association submitted their views on the possible consequences of the Brexit to the Ministry of Foreign Affairs. Subsequently, meetings were organised between the Group of the Ministry of Foreign Affairs dealing with the Brexit and private sector actors of the Cypriot economy under the auspices of the CCCI and the Cyprus-UK Business Association. The meetings’ objective was the exchange of views and the forwarding of views/concerns in relation to the Brexit negotiations.

BRICS Event by the Cyprus-South Africa Business Association

The Cyprus-South Africa Business Association organised a business lunch entitled “BRICS: Opportunities and Potentials for Cyprus and beyond”.

The main speaker was Mr Stavros Nicolaou, a South African of Cypriot origin, Senior Executive of Aspen Pharmacare and member of the BRICS Business Council, who presented the opportunities for Cypriot enterprises in the BRICS countries.

It is worth mentioning that the BRICS countries’ Ambassadors or attaches in Cyprus participated in the event as speakers.
LABOUR MATTERS
The CCCI was intensely concerned about labour matters and the developments taking place in the labour environment, especially now that the Cypriot economy, after a period of grave economic crisis, is beginning to show signs of recovery and stability, directly affecting employment and, by extension, the viability of Cypriot enterprises.

It is the CCCI’s firm position that the labour relations field should not be dealt with in a separate and fragmented way, since the whole entrepreneurial and economic activity depends on its smooth operation.

In this light, the CCCI, as a representative of the business people, actively participates in the free collective bargaining and in all the Tripartite Bodies at the Ministry of Labour, Welfare and Social Insurance, decisively contributing through its substantiated positions to the commonly acceptable regulation of the labour issues that emerge.

In April 2018, unemployment in Cyprus was at 9.6%, presenting a considerable decrease by 18% as compared to 11.6% in April 2017.

This decrease vindicates the CCCI, which, from the moment the crisis struck, urged its members to make all necessary adjustments in order to protect the viability of their enterprises and their existing job positions. At the same time, the CCCI’s efforts to achieve the implementation of extended working hours for retail trade shops and the assignment of projects to the private sector, as well as the Ministry of Labour’s successful policy of implementing employment support programmes, which was supported by the CCCI, have decisively contributed to reinforcing employment through the recruitment of thousands of unemployed persons.

The CCCI placed particular emphasis on supporting enterprises towards ensuring their viability, providing incentives reinforcing entrepreneurship, reducing unemployment, reforming the public sector and restraining and reducing labour costs. Furthermore, the CCCI actively participated in the negotiations for the peaceful renewal of collective contracts both at a sectoral and company level, under the policy that the stability observed in enterprises is marginal and does not yet allow the restoration of wages and benefits.

In the context of the negotiations, the CCCI warned the trade unions that their demand for restoring wages and benefits at the pre-crisis levels would be a tragic mistake, since this would endanger the smooth operation of enterprises and the current job positions, given that our economy is still quite fragile and weak.

As a result of the negotiations with the participation of the CCCI, in most cases special agreements were struck for the gradual restoration of wages and benefits in part or in whole, always taking into account each enterprise’s financial ability.

Unlike the private sector’s effort to restrain expenses, the government proceeded to conclude a deal with the trade unions for the gradual restoration of the public and wider public sector employees by the end of 2022. Upon the conclusion of this period, this decision will increase the public sector wage grid by €400m, placing public finances out of control once more.

The CCCI expressed its strong discontent with this agreement, which overturns the last years’ balanced relation between public revenue and expenditure, thus threatening budgetary discipline, since Cyprus’s public sector wage grid is still quite high as compared to other countries of the Eurozone. In response to the aforementioned developments, the CCCI asked the President of the Republic to place the simultaneous adoption of the bills on the reform of the public service and the local government as a condition for the adoption of the bill on the initiation of the restoration of the wages.

During the period under review, the CCCI put its request for the legal regulation of strikes in essential services back on the agenda, promoting it as the only solution left for putting an end to this unacceptable and catastrophic phenomenon, which generates deadlocks and blows for the economy and the society as a whole. It is necessary to regulate this matter immediately, since unjustifiable and arbitrary strikes in the energy, health, education and transports sectors have seriously damaged the economy and the society.

The laws on the General Healthcare System and the granting of paternal leave were adopted during the period under review. At the same time, an agreement was concluded on the method of paying the Automatic Wage Indexation (AWI), while the debate concerning the extension of survivors’ pension to men continued.

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 training seminars in order to provide appropriate and comprehensive training and information to its members. Furthermore, the CCCI actively participated in the Cyprus Safety and Health Council and in the specialised Committees, contributing constructively to the adoption of policies concerning safe workplaces.

Furthermore, the CCCI had several meetings with the Ministry of...
Labour, the Professional Organisations and the trade unions for the examination of various labour matters.

In the context of its policy of constantly providing information and guidance to its members, the CCCI issues a multitude of circulars regarding the totality of labour matters.

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);
- Law for the protection of paternity;
- amendment of the Law on the protection of maternity;
- amendment of the law on Social Insurance regarding survivors’ pension for men;
- bill on unemployed persons;
- law on facilitating the exercise of workers’ rights in the context of free movement;
- Regulations on Safety and Health at Work (Certificate of Registration of Facilities, Installations, Enterprises and Workplaces);
- (Amending) Law on Factories;
- employment of foreign nationals in the tourism industry;
- (Amending) Regulations on the Protection of Young Persons at Work;
- Regulations on Safety and Health at Work (Operation, Maintenance and Inspection of Lifting Machinery);
- (Amending) Regulations on Safety and Health at Work (Chemical Agents); and
- (Amending) Regulations on the Control of the Atmosphere and Dangerous Substances.

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;
- bill for the granting of sick pay to persons beyond 63 years of age who are entitled to statutory retirement pension but have not filed an application;
- the granting of unemployment benefit to persons entitled to statutory retirement pension who have not filed an application for pension;
- survivors’ 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;
- the financial statement of the Unemployment Benefits Account and the Social Insurance Fund for 2017; and
- Amending Regulations for the entitlement of persons to pay according to their real income for employment periods preceding the semester during which the application was submitted.

Council of the central holiday fund

During the period under review, the Council of the Central Holiday Fund dealt with the financial statements of the Central Holiday Fund for 2017, the Fund’s budget for the 2018-2020 period, the operation of the Holidays Subsidy Scheme for 2018 and the Fund’s economic viability. In light of the Fund’s financial situation, 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 2017.

A total of 2754 applications for payment by the Redundancy Fund were examined in 2017, out of which 2130 were approved. The total sum paid was €50,000,000.

**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 2017;
- statistical analysis of occupational accidents that occurred in 2016;
- occupational accidents in 2017;
- inspection campaigns for 2018;
- preventions of the increase of occupational accidents;
- Code of Practice concerning the thermal distress of workers;
- (Amending) Regulations on Safety and Health at Work (Notification of Accidents and Dangerous Occurrences);
- 2017 Regulations on Safety and Health at Work (Operation, Maintenance and Inspection of Lifting Machinery);
- notification and broadening of occupational diseases;
- information brochures concerning the obligations of main contractors and project designers, the duties of design and execution coordinators and the accompanying documents of advance notification of construction sites;
- CLP (Classification, Labelling and Packaging) Regulation on chemical substances;
- Development of new interactive OiRA risk assessment tools for Cyprus;
- Regulations on Safety and Health at Work (Health Surveillance);
- (Amending) Regulations on Safety and Health at Work (Chemical Agents); and
- Regulations on the Control of the Atmosphere and Dangerous Substances.

**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 2016, the extension of the scheme for the training of long-term unemployed persons in enterprises/organisations until 31 December 2018 and the schemes for the placement of young unemployed persons in enterprises for work experience purposes.

**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 2017, 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.

Furthermore, the CCCI, in close collaboration with the Cyprus Federation of Business and Professional Women (BPW Cyprus), which is connected with the Chamber, continue their joint efforts for informing the business people and raising their awareness regarding the equality of men and women in employment.

**Strikes in Essential Services**

The CCCI expressed its grave concerns regarding the extreme reactions of a part of the trade union movement in the sectors of
energy, transport, health, education and elsewhere.

The CCCI sounded the alarm, calling upon everyone respecting the State’s prescribed procedures of operation to take a common approach on dealing with problems as they emerge.

The lack of respect towards the institutions and the violation of labour legislation would lead us to anarchy and dangerous paths.

All the essential services sectors are undergoing a process of reform and consolidation, which demands seriousness and responsibility from everyone involved. Extreme reactions such as the announcement of unjustified strikes and the refusal to meet with officials from the State’s institutions result in chaos and anarchy. The CCCI condemned these behaviours and mentalities and will continue denouncing them through responsibly drawing the public’s attention to the society’s ills.

Considering our country’s urgent need of serious reforms and modernisation, it is unacceptable that a few groups of highly paid public servants sabotage the State’s reformation and reconstruction in order to protect their own narrow interests.

In light of the above, the CCCI has called upon the Government and the political parties to adopt legislation for the regulation of strikes in essential services, in order to secure the smooth operation of the State.

Unemployment

According to Eurostat, in April 2018 unemployment in Cyprus decreased by 18% as compared to April 2017 (11.6%).

Despite the recorded reduction, the CCCI cannot afford to be complacent, since unemployment rates remain at high levels. The issue of reducing unemployment is among the CCCI’s top priorities. During the period under review, the CCCI submitted specific suggestions and proposals aiming at restraining unemployment and boosting employment. These proposals include, among other things, the repetition, improvement and expansion of the schemes offering support to employment and incentives for recruiting unemployed persons, the assignment of work to the private sector, the implementation of modern and flexible forms of employment (part-time employment, working from home etc.), the State’s provision of incentives for reinforcing entrepreneurship and the permanency of the extended working hours of shops. The implementation of the shops’ extended working hours, which has been a firm position of the CCCI, has significantly contributed towards increasing employment.

Minimum Wages

The CCCI firmly supports that the minimum wages determined through decree are particularly high, exceeding the enterprises’ and the economy’s capacity. Moreover, according to the data published by Eurostat, the minimum wage in Cyprus is among the highest minimum wages in the European Union. The CCCI has therefore repeated its firm position that the revision of the decree concerning minimum wages must take place only after the carrying out of a study demonstrating that it is necessary to do so.

Despite the CCCI’s disagreement, the decree on the minimum wage was renewed for 2018 without any amendments. Consequently, the minimum wage for salespersons, clerks, nursing and school assistants, nursery assistants and childcare workers is set at €870 upon recruitment and at €924 upon six months of continuous service to the same employer.

The minimum wage for guards has been set at €4.90 per hour and at €5.20 upon 6 months of service, and for cleaners at €4.55 per hour and at €4.84 upon 6 months of service.

Foreign Labour Workforce

During the period under review, the Labour Advisory Body decided the establishment of a Technical Committee, whose purpose is to re-examine the modernisation of the strategy of foreign labour workforce employment in Cyprus.

The CCCI drafted a comprehensive document containing its findings and views regarding foreign labour workforce and covers the chapters of the strategy’s general framework as well as the criteria and the procedure for the granting of work permits to foreign nationals and their terms of employment.

This is a serious issue for the CCCI, since foreign workers coming from third countries were and still are very useful for our country’s economy. They have provided solutions in important sectors of the economy and in enterprises that were proven to face difficulties in operating smoothly due to labour shortages.

At the same time, the CCCI pointed out that foreign workers have decisively contributed to the enterprises’ development, which resulted in creating new job opportunities for Cypriots.

After all social partners have submitted their documents, a thorough discussion of the issue is expected to take place.

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.

**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.

**Notification of Accidents and Dangerous Occurrences**

The regulations concerning the notification of accidents and dangerous occurrences have been amended.

The main amendments are the following:

- Removal of the provision concerning the notification of non-fatal accidents to persons outside work and to conscripts, reservists and members of the national guard during the activities of the Armed Forces (the obligation to notify is limited to fatal accidents).

- Removal of the provision concerning the notification of all accidents in the following cases of accidents:
  - accidents occurring to persons outside work while involved in activities of a medical nature; and
  - accidents occurring to persons outside work while involved in entertainment or leisure activities.

- Extension of the Regulations’ application to structures, facilities, instalments, pipelines, platforms or ships on which activities of mapping, exploration, search, extraction or transport of hydrocarbons in Cyprus’s Exclusive Economic Zone are been conducted. The provision of information on these accidents and their notification will take place at the Nicosia District Office of the Department of Labour Inspection.

- Regarding the number of the days of absence from work as a criterion for the notification of non-fatal accidents that may be suffered by employees, the relevant paragraph has been amended by the addition of the phrase “regardless of whether the absence began immediately after the accident or later in time”.

- Amendment of the list of Dangerous Occurrences (by the addition of new cases of dangerous occurrences and other changes).

Other non-notifiable accidents are:

- accidents occurring from deliberate injuries by others or by deliberate self-injuries;
- accidents related to pathological causes;
- occupational diseases; and
- accidents in the Armed Forces (Army – Police – Fire Department) occurring during activities having inherent particularities.

**CCCI Seminars 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 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
LABOUR MATTERS

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.

Considering the huge importance attributed to health and safety at work issues by enterprises, the CCCI organised two more seminars. The first one concerned specialised training in the management and assessment of risks at work and the second one concerned specialised training in investigating labour accidents and dangerous occurrences. The duration of each seminar was 14 hours.

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 300 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:

- 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;
- the Organisation of Working Time Law;
- the Annual Paid Leaves Law;
- parental leave and leave in cases of force majeure;
- sexual harassment in the workplace;
- 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 the Protection of Maternity;
- the Law on Part-Time Work Employees; and
- the Law on Temporary Agency Work.

Services of 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 other things, 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 En-
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 of the CCCI in the House of Representatives’ Con-
ference 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:
1. Rapid developments in the production of goods and the provi-
sion 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 through Mr Emilios Michael, Director of
the Department of Labour Relations, 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 impor-
tance of organising similar conferences in the future.

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 28 May until 8 June 2018.

The CCCI is represented at the Conference by Mr Marios Tsiak-
kis, Secretary General, and Mr Emilios Michael, Director of the
Department of Industrial Relations.

The main issues discussed at the Summit were:
• effective development cooperation in support of the Sus-
tainable Development Goal;
• violence and harassment in the world of work; and
• social dialogue and tripartism.

The CCCI’s representatives engaged in contacts with officials
from the International Labour Office and delegations of foreign
countries participating in the Summit in relation to labour rela-
tions 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.

Annual Convention for Inclusive Growth 2018

The Annual Convention for Inclusive Growth was held on 27
April 2018 in Brussels.

This year’s subject was “The road to the implementation of the
European pillar of social rights”. It was attended by representa-
tives of European and national organisations dealing with social
policy issues from all member states of the European Union.

The Convention was largely interactive and included parallel
thematic workshops. During the workshops, participants had the
opportunity to exchange and record views concerning the role
of enterprises and the society in the effort to support and inte-
grate vulnerable groups into work and economic development.

The CCCI was represented at the Summit by Mr Panayiotis Pa-
nayi, Officer of the CCCI’s Department of Labour Relations.
Educational activity

The CCCI’s educational activity continued in 2017, covering a wide range of subjects of business interest. In total, 45 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 particular, the following programmes were organised:
- “Basic Labour Law and Enterprises” (Nicosia – twice);
- “Letters of Credit: The Safest Way of Payment in International Trade” (Nicosia, Limassol);
- “Training of Health and Safety Officers” (Nicosia – twice);
- “Implementation of Credit Policy and Collection Management” (Nicosia);
- “Proper Organisation and Good Management at the Office” (Nicosia);
- “Sales and Profitability Development through e-Commerce” (Nicosia);
- “Handling Difficult Customers” (Nicosia);
- “The Implementation of Labour Law and Good Labour Practices in Enterprises” (Nicosia –twice, Limassol, Larnaca);
- “Meet the International Commercial Terms (INCOTERMS 2010) and their Practical Implementation” (Nicosia);
- “Effective Leadership for Entrepreneurial Success” (Nicosia);
- “Modern Management and Public Relations” (Nicosia – twice);
- “Health and Safety in Warehouses” (Nicosia)
- “Basic Competition Law Provisions and Resulting Obligations for Enterprises” (Nicosia);
- “Online Customer Experience Management for Cyprus Small Enterprises” (Nicosia, Limassol);
- “Strategic Planning for Development and Succession in the Family Business” (Nicosia – twice, Larnaca);
- “Online Customer Experience Management for the Tourism Sector” (Agia Napa);
- “Managing and Aligning Talent to Boost Company Growth” (Nicosia);
- “First Aid at Work – Emergencies (EFAW)” (Nicosia);
- “Effective Publicising and Promotion of Products at Sale Points” (Nicosia);
- “Specialised Training in Risk Management and Assessment at Work” (Nicosia);
- “Management of Human Resources comprised of Various Generations” (Nicosia);
- “Labour Law in Enterprises” (Nicosia – three times, Limassol, Larnaca);
- “Specialised Training in the Investigation of Labour Accidents and Dangerous Occurrences” (Nicosia);
- “Transaction Skills – UPC600 Transport Documents” (Nicosia – twice, Limassol);
- “Lean Sales: More Sales through Lean Sales Techniques” (Nicosia);
- “Modern Office Organisation and Management” (Nicosia);
- “Identifying and Implementing a Customer Strategy as a Driver of Business Excellence” (Nicosia);
- “Managing the Innovation Process- A Programme to Help Build a More Innovative Culture in the Company” (Nicosia); and

Professional examinations

The collaboration between the CCCI and the Cyprus Computer Society (CCS), which is the independent, non-profitable organisation of Cyprus’s Informatics Professionals, continued and its scope was widened. The purpose of this collaboration is the promotion of 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.

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 qualification 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.

A growing number of organisations and enterprises welcome this collaboration of international scope and recognise ECDL certificates for employment purposes. The adoption of the ECDL as proof of the new or current personnel’s skills increases productivity and reduces the enterprises’ training costs.

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”, which included, among other things, 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 2018”, organised by the Ministry of Education and Culture with the collaboration of the CCCI, the CEIF and the European Office of Cyprus.
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 business missions, events, fairs and seminars in Cyprus and abroad.

**EUROPEAN BUSINESS SUPPORT CENTRE OF CYPRUS (ENTERPRISE EUROPE NETWORK CYPRUS)**

The European Business Support Centre of Cyprus, which is the national contact point of the Enterprise Europe Network (http://een.ec.europa.eu/), was renamed Enterprise Europe Network Cyprus in order to be in line with the European name. The national contact point is composed of a consortium of three organisations, namely the Cyprus Chamber of Commerce and Industry (CCCI), the European Office of Cyprus and the Research Promotion Foundation (RPF), which has a coordinating role.

The Network 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 reliable foreign business partners for representing/distributing Cypriot products abroad, importing/representing new products in the Cypriot market, providing services and using new technology for the development of innovative products and services, participating jointly in research programmes;
- arrangement of meetings (B2B) abroad aimed at entering into business, technological and research 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;

• providing practical advice on business activities in other countries (legal requirements, foreign market information);

• providing support on business development, strategic planning, innovation management and technology transfer issues;

• 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.

Specifically, during the 2017-2018 period, the CCCI organised 15 local information events on EU affairs, which were attended by approximately 900 enterprises, exceeding the expected number of participants. More than 320 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. It is worth mentioning that a considerable number of enterprises contacted the service and received assistance more than once.

Furthermore, the CCCI contributed to the promotion of six Public Deliberations of the EU and collected comments from 28 local enterprises. The Deliberations concerned, inter alia, the definition of small and medium-sized enterprises, electronic transport documents, plant-protection products and pesticide residues and the modernisation and simplification of the Common Agricultural Policy.

The CCCI participated as a co-organiser in 2 business meeting events in the context of International Fairs that were held abroad, where 4 Cypriot enterprises participated, holding 24 meetings. In addition, it organised 6 business missions in collaboration with other Network members to and from Cyprus, where 75 local enterprises participated, holding 223 meetings. It created 39 new business profiles for Cypriot companies for their promotion abroad. Finally, 35 on-site visits were made across Cyprus, in order to inform local enterprises about the services offered by the Centre and record their needs in order to provide customised advisory services.

It is worth noting that the customised advisory support offered by the CCCI’s personnel to two Cypriot enterprises resulted in the conclusion of business agreements.

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


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 database 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).

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

The CCCI acknowledges that its participation in European projects and programmes provides significant benefits to Cypriot enterprises. These include the enterprises’ networking abroad, free information and training on issues of their concern, pilot applications for enterprises and contribution to the State’s formulation of policies through various surveys. In parallel, prospects for the establishment of new services at the CCCI are created. Below, reference is made to the European Union co-funded projects in which the CCCI participated during the period under review.

- Innovative Vocational Social Entrepreneurial Training – INNOVENTER

Innoventer is among the new projects whose materialisation by the CCCI began during the 2017-2018 period. Co-funded by the European Union and National Funds of the participating countries in the context of the Interreg BalkanMed cross-border programme 2014-2020, this project was launched in September 2017 and is expected to be completed in August 2019. The CCCI acts as one of the partners of the project, among Chambers and Vocational Training Centres from Albania, Bulgaria, Greece and FYROM.

The core idea of the Innoventer project is the development of a vocationally oriented social entrepreneurship training programme for small and medium enterprises so that they innovate themselves, while at the same time engaging disadvantaged people as employees. This specialised social entrepreneurship training programme will be in line with the European Credit System for Vocational Education and Training (ECVET) and will comprise a curriculum, learning modules and handbook, online and mobile training platforms with interactive tools for SMEs, a supporting knowledge database and a relevant mentoring programme. Since the project was launched, two partner meetings were organised in Sofia and Tirana for activity coordination purposes, information events concerning social entrepreneurship, while, following a tendering procedure, the provision of advisory and training services has been assigned to external experts.

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

The purpose of the co-funded project iBlue is to improve the competitiveness of the shipping sector in the area of the Mediterranean, focusing on the yachting sector and its sustainable development, based on three pillars of sustainability: Environment – Society – Economy. In this context, a relevant seminar was organised in June 2018 in Limassol, entitled “The Sustainable Development of the Yachting Sector in Cyprus”, which was addressed by the Deputy Minister of Shipping Ms Natasa Pilides and the President of the CCCI Mr Christodoulos E. Agkastiniotis. At the same time, in 2017-2018 the rest of the activities of iBlue continued, such as the establishment of contacts with enterprises of the yachting sector in Cyprus, the creation of an indicator system concerning the sustainability of the sector’s development as well as the project’s partners’ training regarding the incorporation and the appropriate implementation of the 3-pillar business model in existing yachting enterprises, so that the environmental and social consequences of the relevant business initiatives are always taken into account, making it possible for this elitist sector to maintain its sustainability in the next decades.

The iBlue project 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 Interreg MED 2014-2020 programme and its materialisation period is February 2017–January 2020.
Blue Career Centre of Eastern Mediterranean and Black Sea – MENTOR

This project, which is co-funded in the context of Blue Careers in Europe [Action 1.2.1.2], has successfully completed its first year of materialisation.

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 Agricultural University of Athens (AUA), the Marine Cluster Bulgaria (MCB) and the Constanza Maritime University (CMU, Romania).

The project will be completed in February 2019.

The mapping of the provided maritime education and training in the partners’ countries, including available infrastructure, has been completed. The Blue Career Centre Secretariat has been established in Cyprus, also aiming at being represented in Greece, Bulgaria and Romania. Blue Career Fairs have been held in each of the partner countries for the purpose of informing young people interested in working in the 4 blue sectors (maritime transport [shipping, ports, ship repairs and shipbuilding], cruise and marine tourism, marine aquaculture and offshore oil and gas) about the emerging employment pathways as well as supporting relevant enterprises in finding qualified personnel. Visits in schools have also been organised, providing information on Blue Careers.

Finally, the second inter-state meeting of the project was held in Barna, Bulgaria on 1-2 February 2018, while a survey aiming at tracing the trends and current needs related to the aforementioned Blue Economy sectors was conducted. For more information: http://www.bluecareers.org

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

The CCCI, along with 12 European Chambers and with Eurochambres acting as the head partner, participates in the Apprenticeship Coaches for SMEs – AC4SME project. The European project AC4SME has a duration of 2 years and is co-funded in the context of the Erasmus+ programme.

The project’s main objectives are:

- to engage more SMEs in the Apprenticeship System;
- to create the necessary infrastructure at a Chamber level that will support and encourage apprenticeship in SMEs;
- to promote a high-quality apprenticeship system for SMEs; and
- to develop a European network of apprenticeship coaches for SMEs at the Chambers.

In this context, during the period under review, focus groups were established, which were mainly composed of small and medium-sized enterprises and saw the participation of the Minister of Education and Culture. These meetings aimed, among other things, at exchanging views and experiences and tracking and analysing the needs related to the SMEs’ support of the Apprenticeship System. Among the findings of the meetings is that Cypriot SMEs are hesitant to offer job opportunities in the context of the Apprenticeship System, principally due to the lack of comprehensive information and the fact that the benefits are not always immediate and apparent. The majority of enterprises that hosted apprentices expressed their satisfaction and agreed that the appropriate approach and training of apprentices maximises the possibility of obtaining loyal and properly trained future employees.

The adjustment of apprentices to their new working environment requires sensitive handling and specialised knowledge by the persons undertaking their training at work. In the context of the project, two comprehensive toolboxes have been developed, aiming at assisting these persons (coaches) in selecting, handling and training young persons.

Preventing business failure and insolvency (PRESOLVE)

After 28 months of materialisation, the activities of the co-funded project PRESOLVE were successfully completed. In addition to the CCCI, 14 other European Chambers participated in the project, with Eurochambres, which is based in Brussels,
During the period under review, the certification of the total-
ity of the study and training programme materials according to ISO was completed, while the corresponding pilot training of trainees, trainers and evaluators was also conducted. The interstate meeting of the partners was held in Cham, Germany (18-19/01/18) and the 6th and final meeting, along with the final conference, was held in Nicosia (27-28/06/2018). The CCCI carried out a series of information actions concerning the project’s results regarding the certified professional qualification for administrative personnel and Secretaries.

This project was 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.

- Strengthening competitiveness of agri-food SMEs through transnational Clusters (FOCUS)

On 1 November 2017, the project entitled “Strengthening competitiveness of agri-food SMEs through transnational Clusters”, bearing the acronym FOCUS, began to be implemented. The duration of the project will be 24 months. Four Balkan-Mediterranean countries participate in the project, represented by seven partners: Greece (Region of Pelopon- nese – lead partner, National Technical University of Athens and Agricultural University of Athens); Cyprus (Cyprus Chamber of Commerce and Industry); Albania (Local Economic Development Agency of Vlora); and Bulgaria (Business Support Centre for Small and Medium Enterprises of Ruse and Agriculture University of Plovdiv). The project is co-funded by the European Union – the ERDF and IPA II – and National Funds of the participating countries, in the context of the cooperation programme Interreg Balkan-Med 2014-2020.

It aims at establishing transnational agri-food cooperation links (clusters) among agri-food businesses and research institutions, promoting at the same time technology transfer and food innovation in order to facilitate the upgrade of agri-food SMEs’ competitiveness and extroversion. Its principal target is to promote the capacity and competitiveness of SMEs with regard to the supply of innovative and improved agri-food products to the national, regional and international markets. The methodological approach of the project includes three main stages: (1) the mapping of the ecosystem of agricultural food products in the partner countries; (2) the design and operation of innovative regional agricultural food clusters; and (3) the creation of an ICT platform (basic supporting toolbox), which will be designed accordingly by the four regional agri-food products clusters for the provision of an innovative combina-
The Ewaster project, in which the CCCI participated, was conducted concerning the project's communication strategy. Finally, a study was conducted concerning the project’s communication strategy.

- “Actions for promoting, supporting and reinforcing the brand name of selected products and/or services of Greece and Cyprus within the cross-border zone” Go_Brand

During the period under review, the project bearing the acronym Go_Brand began to be implemented in the context of the cooperation programme INTERREG V-A Greece Cyprus 2014-2020, which is co-funded by the European Union (ERDF). The project concerns the promotion and enhancement of agri-food product brand names that are produced in Greece and Cyprus. The duration of the project is 30 months (1/11/2017-30-04-2020).

The CCCI acts as the head partner of the project, in which 5 partners from Greece also participate: the Lasithi and Chios Chambers of Commerce and Industry, the Development Corporations of the Chambers of Cyclades and the Dodecanese and the Foundation for Research and Technology of Crete.

The planned actions of this project aim at reinforcing the version and export orientation of SMEs and promoting local traditional products of the Greek and Cypriot participating regions abroad. Specifically, the project’s actions include: the creation of product or/and services networks; joint actions of product promotion (sectoral studies, creation of short sectoral films, participation in a European food-beverages or/tourism fair); and joint advisory and promotion actions (creation of a one-stop shop service, specialised training seminars).

The CCCI, acting as the head partner, organised the inaugural meeting in November 2017 in Nicosia, while the Cyclades Chamber organised the 2nd interstate meeting of the project’s partners in April 2018 in Syros. During the period under review, the partners organised information meetings aiming at establishing two clusters of sectoral products or services per partner, for the purpose of promoting them abroad. Finally, a study was conducted concerning the project’s communication strategy.

- 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 Ewaster project, in which the CCCI participated, was completed in January 2018. The general goal of the European co-funded EwasteR project is to develop and establish a new, high-quality multidisciplinary education and training curriculum in the e-Waste recycling and re-use management sector in Europe, highlighting the need for specialised and appropriately trained personnel in a new and crucial sector of sustainable development. The project was implemented by thirteen organisations in four different countries (Italy, United Kingdom, Poland, Cyprus) and aimed at: (1) determining the basic needs and requirements, as well as learning results (knowledge, skills, competences) in the field of e-Waste recycling and re-use; (2) creating a new professional qualification in this sector according to European quality standards; and (3) developing a new professional education and training curriculum leading to the obtaining 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 e-Waste recycling and re-use sector.

- WBL GUARANTEE - Public – Private Alliance to GUAR-ANTEE quality of work based learning

WBL Guarantee is a 3-year project, in which the CCCI participates, aiming to develop, design and validate two curriculum programmes for the professional development of “in-company tutors” in SMEs and “employment counsellors” in the public and private sector working with work based learning programmes (WBL) in Europe.

The project will identify the new contexts that are impacting and changing the traditional roles of employees/mentors working within SMEs and employment counsellors and professionals working in the sector of vocational education and training (VET). Special effort will be made in order to enhance and upgrade the skills of in-company tutors and employment counsellors. Furthermore, the project will seek to identify a set of key competencies which will then be tracked across the EQF and NQF standards to identify if there is any scope for development.

The project is implemented by 11 partners coming from 5 European countries and different sectors: Public Authorities with regulatory capabilities; VET agencies; employment agencies and providers; and social partners.

The project is currently at the stage of the implementation of a research study and analysis concerning the professional
roles and challenges of WBL schemes in Europe. The CCCI has drafted and sent a relevant questionnaire to its members.

- Support young innovative companies scaling-up their activities in the Single Market

The CCCI, along with the Research Promotion Foundation (RPF), participates in the European project “Scale-Up”, whose aim is to tackle the basic challenges and obstacles faced by young innovative Cypriot SMEs with ambitions and capabilities as regards internationalisation and help them improve their level of capability and readiness for scaling up towards the international market.

In the context of the activities of Scale-Up, 12 young Cyprus-based SMEs were traced, which possess the necessary capabilities and readiness for internationalisation and have the following characteristics:

- a functional business plan, a stable central team, a stable income and presence in the Cypriot market;
- high but realistic growth ambitions, driven by innovation;
- willingness to exploit the Single and the International Market in order to commercialise a new innovative product/service; and
- readiness and capability to receive and appropriately manage the necessary financial support for their scale-up (loans, guarantees, venture capital or any other relevant financing source).

These enterprises were assessed by the RPF and the CCCI for the purpose of attending a specialised training seminar taught by experts and adjusted to the diagnosed needs. Subsequently, 3 out of the 12 enterprises will receive coaching services by external experts. These 3 SMEs will be selected according to the following criteria:

- increased ambition, capacity and willingness of the SME to exploit the possibilities offered by the Single and International Market and
- existence of a functional and effective business plan and SME products/services availability in the local market.

INTERNATIONAL CHAMBER OF COMMERCE PUBLICATIONS

The publishing house of the International Chamber of Commerce is represented in Cyprus by the Cyprus National Committee of the ICC, based at 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. In addition to 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 boosting the utilisation of 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.

Among other things, the Office is responsible for drafting press releases and announcements on various topical issues and forwarding them to the mass media. It also contributes to the organisation and coordination of conferences or events of the CCCI. It is responsible for the organisation and coordination of the Annual General Meeting of the CCCI. It manages the CCCI’s profile in social media (Facebook, Twitter, Youtube) for enhancing the promotion of its views as well as the Newsletter published by the CCCI. It further coordinates with all the CCCI’s departments for the dissemination of the announcements and activities of the Professional Associations to the mass media. It handles the CCCI’s public relations with foreign representatives and official visitors in the context of business missions and fora. Finally, it coordinates the interviews with the local and foreign mass media.

Social Media, Website, “KEBE news” Electronic Newsletter

The Cyprus Chamber of Commerce and Industry launched a new communication channel with the public and its members through dynamically entering the Social Media. Specifically, the CCCI created pages in Facebook, Twitter and Youtube, through which the business people can receive information at all times concerning the Chamber’s announcements, circulars, missions, seminars and actions. The business people are now informed on a more direct, valid and efficient basis.

The CCCI runs a modern and technologically upgraded website titled “KEBE 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 other useful information of interest to its members.

The electronic Newsletter titled “KEBE 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.
2017 was another year of intense activity and multi-fold actions for the five local CCI\-5s (Nicosia, Limassol Famagusta, Larnaca, Paphos), with a view to serving their members in the best possible way and promoting the development and other needs of their districts in a well-intentioned manner.

Acting as members’ organisations, the five Chambers provided valuable services to their members through a wide range of actions and initiatives, which were materialised not only at a collective (as regards issues of general interest to all members), but also at a sectoral and even an individual/company level. In all cases, the objective was to resolve problems and facilitate entrepreneurial activities as much as possible. This is exactly why the Local CCIs are becoming increasingly involved in European programmes, which offer the opportunity of utilising the EU’s financing and other tools destined to support enterprises and establish collaboration channels with foreign companies and organisations.

The Local CCIs also played an important role in tackling issues of broader interest of their districts, through, among other things, their participation in local/district committees dealing with urban development, labour and environmental issues.

The scope of the Local CCIs’ involvement is further highlighted by their active participation in the Regional Tourism Development and Promotion Companies at the supreme level, since they are mostly presided by Chamber officials. The participation of the CCIs in their districts’ Development Companies through holding key positions is no less important. Through the Leader programme and other ways, they address the needs of rural Cyprus, where the results of several cosmetic and development projects are particularly apparent.

It should further be noted that the Local CCIs significantly contributed to the formulation of the CCCI’s policies on the whole range of issues related to entrepreneurship at a pan-Cyprian level.
PROFESSIONAL ASSOCIATIONS
Today, 146 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

During the period under review, the CCCI continued to participate in Eurochambers’ activities and administrative bodies, while the CCCI’s representatives continued to contribute to the shaping of Eurochambers’ policies and positions on various matters arising from or related to the acquis communautaire, having an impact on enterprises and business activities in general. The CCCI is a full member of Eurochambers, the par excellence European Chamber Organisation, representing the Cypriot Chambers. 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 Eurochambers, such as the Committee on the Single Market, the Committee on SMEs and Entrepreneurship, the Committee on Financial Issues and the Economy, the Committee on Energy and the Environment, the Committee for Smart Regulation, the Committee for Enlargement and Neighbouring Countries, the Committee on Human Resources, the Committee for the Enterprise Europe Network etc., expressing the views and positions of Cyprus’s business community on the issues under discussion. During the period under review, two further Committees were established, on the Future of Europe and the Brexit, in which the CCCI is represented.

The CCCI also continued to participate systematically in a large number of deliberations conducted among the Eurochambers’ members, contributing in this manner in the formulation of the relevant views and positions of Eurochambers on a multitude of issues mainly arising from the acquis communautaire. These positions are submitted to the European Commission and are taken into consideration when formulating European policies and legislation. Such issues included the proposal for the revision of the definition of SMEs, the proposal for the (consolidated) company tax base, the assessment of the programme for competition and SMEs, the Erasmus programme, the proposal for the single market information tool, the single digital gateway, consumer protection legislation, the protection of family life, the proposal concerning the balance between professional and family life, the European Solidarity Corps, the 9th Framework Programme for Research and Innovation, the budget of the EU after 2020, the Directive on Liquid Gas, the Goods Package concerning compliance and market surveillance, the regulatory framework for SME registration in the capital markets, the Multiannual Financial Framework, dual-use products, the EU’s new strategy on enlargement, the regime regulating the sale of goods through e-platforms, the proposal for company legislation, the proposals for the value added tax (special scheme for small enterprises and VAT rates) and many other important issues related to SMEs.

At the same time, the CCCI participated in numerous surveys conducted by Eurochambers among its members concerning the examination of investments and the separation of commercial agreements, collective redress, the Brexit, the European Migrant Entrepreneurship Network, global economic research, optimal regulation etc.

The CCCI continued to communicate Eurochambers’ 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. Special mention should be made to the unitary patent and the Brexit. As regards the Brexit, Eurochambers were particularly active, especially in providing information about the developments and the actions of its members and expressing their views and positions. The CCCI participated in all the relevant activities of Eurochambers, while it issued a relevant announcement expressing the Eurochambers’ and its own concern regarding the delays noted and the uncertainty felt by enterprises as regards the Brexit.

Furthermore, the CCCI contributed significantly to the definition of the strategy for the future of Eurochambers, the Eurochambers’ and its Committees’ priorities and especially in the formulation of the Eurochambers’ Declaration of Entrepreneurial Rights, on the occasion of its 60th anniversary. The Declaration consists of twelve rights concerning the single market, trading conditions, skills, the integration of immigrants, access to financing, friendly legislation, the entrepreneurial mindset, the facilitation of the creation and expansion of businesses, the second chance, innovation, energy and digital infrastructure.

In 2018, Eurochambers celebrated its 60th anniversary. The President and the Secretary General of the CCCI attended a special ceremony held in Brussels, where the Declaration of Entrepreneurial Rights was presented. The Declaration was also presented by representatives of the CCCI and Eurochambers at the Summit of SME Envoys from all EU member states that was held in Cyprus in July 2018.

During the period under review, the CCCI participated once more in the large-scale pan-European Economic Survey of Eurochambers concerning the 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 2018 as compared to 2017, confirming the economy’s ongoing recovery from the economic crisis.

Moreover, the CCCI appointed the President of BPW Cyprus as its representative at the re-established Eurochambers Women Network, while it also contributed to the updating of the Eurochambers’ publications concerning best practices in relation to the enterprises’ access to funding and the internationalisation of SMEs.
The period under review saw the launching of the preparations for the organisation of the fifth Summit of the European Parliament of Enterprises, which is organised by Eurochambers. The Summit is the largest gathering of European, national, regional and local Chambers, with the participation of enterprises. It offers an excellent opportunity to attendees to participate in the public discussion concerning the principal problems faced by enterprises at a European level. The topics of discussion will be trade, skills and Europe’s future.

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”. Additionally, during the period under review, the CCCI showed a keen interest in participating in proposals submitted by Eurochambers on various programmes.

INTERNATIONAL CHAMBER OF COMMERCE (ICC)

For 30 years now, the CCCI represents the voice of the Cypriot business community on the world stage through the International Chamber of Commerce. The Cyprus National Committee, which is composed of entrepreneurs and organisations, closely monitors the ICC’s work and promotes the positions and interest of Cyprus’s business people.

More than 100 countries participate in the ICC, which has a history of over 100 years. It 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 and Africa.

For the materialisation of its goals, the ICC counts on the knowledge and experience of its 11 Commissions, which cover 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 is represented at the Commissions on Arbitration, Banking, Telecommunications, Insurances, Energy and the Environment, Intellectual Property and Taxation. It monitors the work of these Commissions closely and informs the Cypriot business people accordingly.

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

One of the most important Commissions of the ICC is the one on Banking. Among other things, it sets up globally accepted norms and guidelines governing international banking practices and the operation of commerce, 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, promoting 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 Association of Mediterranean Chambers, of which the CCCI is a full member, represents the Mediterranean Chambers. During the period under review, the CCCI continued to participate in the Association’s 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 etc. Through its participation, it communicates the positions and views of Cyprus’s business people on the various issues under discussion.
Among the most important actions of the Association of the period under review was the organisation of the Mediterranean Week of Economic Leaders, which focused on Mediterranean women entrepreneurs. Other actions of the Association included the organisation of the EUROMED Invest Academy, the Investment Forum and the Mediterranean Transport & Logistics Summit.

Finally, it should be mentioned that, during the period under review, the Association drew up a list of project proposals for submission under the Euro-Mediterranean programmes, inviting its members to express their interest in participating, which the CCCI did.

ASSOCIATION OF BALKAN CHAMBERS (ABC)

The CCCI is a full member of the ABC, representing Cypriot Chambers. The principal goal of the ABC 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 Belgrade, which included discussions on issues of information technology in the Balkans, vocational training based on the dual system as implemented in Balkan countries and the collaboration of the Balkan Chambers in the trade sector, with special emphasis on the penetration in third country markets.

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.

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

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 formulation of the European Social Partners’ positions and views that are submitted to the Commission. The CCCI is a full member of the European Association of SMEs, representing Cypriot SMEs.

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. The CCCI actively participated in determining the committees’ work programme.

During the period under review, the CCCI participated in a considerable number of deliberations that shaped the Association’s positions on issues such as the balance between professional and family life, insolvency, safety and health at work, collective redress, the single digital gateway, the posting of workers, the single market information tool, the Solvit network, the charges on cross-border payments in a currency other than the euro, the regulations on retail trade in an environment characterised by multiple channels, the initiatives for improving the food supply chain, the future of Europe, the definition of SMEs, the Directive concerning employment terms, workers’ information and rights, the better presentation of information to consumers, consumer legislation, the EU’s regional policy after 2020, The single VAT area of the EU, the special VAT scheme for SMEs, the VAT rates, the mutual recognition of goods, the upcoming EU programmes for SMEs, the framework for quality and effective apprenticeships, the European services e-card, the regulation of e-platforms for the sale of goods, the upcoming Multiannual Financial Framework with emphasis on SME funding, the feedback concerning the framework for education and training 2020 and the future strategic framework, company legislation, unfair commercial practices in the food supply chain, long-term unemployed persons, the policy for regional development and cohesion after 2020, the obstacles faced by SMEs, the Horizon Europe programme for research and innovation etc.

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. In parallel, during the period under review, the CCCI continued to communicate UEAPME’s views and positions to its members and to the executive authorities in Cyprus, calling upon our representatives at the various bodies and meetings of the European Commission to take these views seriously.

The CCCI also participated in numerous surveys conducted among UEAPME’s members concerning, among other issues, the feedback given by banks in relation to the rejection of an
SME loan application, the national test for SMEs in impact studies, the European semester procedure and the involvement of the organisations representing SMEs, personal data protection, out-of-court non-performing loans guarantee recovery, the national reports on the European semester, the Brexit, companies committing fraud, delayed payments etc.

The CCCI further participated for the seventh consecutive year in the Association’s special barometer for SMEs by conducting a national survey and providing data concerning the business climate as experienced by Cypriot SMEs. The survey’s results were better than in previous years, confirming the ongoing recovery and improvement of Cyprus’s economic situation.

Finally, it should be mentioned that the CCCI participated in a large survey of UEAPME concerning the needs and challenges of SMEs by conducting a national survey. Through this process, the views of Cypriot SMEs have been included in the final formulation of the document submitted to the European Commission by UEAPME. According to Cypriot enterprises, the main challenges for the EU include economic inequalities and nationalistic approaches, while they believe that the EU is bureaucratic, does not resolve serious problems and does not pay the necessary attention to SMEs. Moreover, they believe that cross-border trade in the EU still faces problems, while the preferred scenario concerning Europe’s future involves more joint actions. They also reported their difficulties in accessing financing and the appropriate skills and they are expecting the EU to take measures such as the simplification of the regulatory framework and the limitation of bureaucracy, the rationalisation of taxation, the digital reform, the promotion of cooperation between the public and the private sector, the facilitation of access to financing, the reduction of the cost of energy, the development of renewable sources of energy, the adjustment of the educational system to the needs of the labour market and the support of SMEs through European funds.

The CCCI further participated for the seventh consecutive year in the European semester and in the working hours of shops at a national level, the European semester, the Brexit, companies committing fraud, delayed payments etc.

The CCCI took part in a number of surveys conducted among Eurocommerce’s members on the Recommendations of the European Commission to the member states in the context of the European semester, the working hours of shops at a national level, Eurocommerce’s work programme etc.

EUROCOMMERCE

Eurocommerce is the organisation representing the national commerce organisations of the European countries at a pan-European level. Acting as the representative of our country’s commerce sector, the CCCI is a member of Eurocommerce, representing Cyprus’s commerce people in this organisation. 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 etc.

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 the Directive governing employment terms, workers’ information and rights, Eurofound’s (European Foundation for the Improvement of Living and Working Conditions) survey on the commerce sector, access to social protection, the Pillar of Social Rights, working on weekends, unfair trade practices, consumer legislation, the digital tool for safety and health, the platform for declared work etc. In this manner, the CCCI contributes towards the formulation of the views submitted by Eurocommerce to the European Commission.

Furthermore, during the period under review, the CCCI contributed to the definition of Eurocommerce’s priorities, while it kept communicating Eurocommerce’s views and positions on every issue to its members and the executive authorities in Cyprus. It also kept communicating to its members a great number of information it receives from Eurocommerce, mainly concerning European and international trade and EU’s trade agreements.

The CCCI took part in a number of surveys conducted among Eurocommerce’s members on the Recommendations of the European Commission to the member states in the context of the European semester, the working hours of shops at a national level, Eurocommerce’s work programme etc.

EUROPEAN CYBER SECURITY ORGANISATION (ECSO)

In 2016, 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 cyber attacks. Following this decision, in 2017 it participated in ECSO’s Annual General Meeting. Furthermore, the procedures for the establishment of a non-profit company under the name “Cyprus Cyber Security Organisation (CyCSO)” began in 2017 and were completed in 2018. In February 2017 the first conference on cyber security was organised under the title “How Secure Is Your Business”, while in 2018 relevant seminars were organised, which were addressed to companies and associations operating under the umbrella of the CCCI.
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 use the GS1 standards system worldwide, carrying out more than 10 billion transactions in 150 countries on a daily basis. Through its local member organisations, GS1 is present in more than 112 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 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 the full supply chain, food and beverages enterprises, retail trade, health, transport, defence, e-commerce and other sectors.

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 of all the stages of the supply chain: 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 the gradual transformation of GS1 into an organisation offering direct solutions and services not only to enterprises, but also to consumers.

During the year gone by, the Service, in response to the current expectations of the digital era, gave its members the opportunity to directly access their already registered barcodes through the GS1 Cloud international platform. Their products will be uniquely identified through a GTIN code along with 6 additional core product attributes, with a view to adding more attributes in the future. The advantages for Cypriot enterprises are immense. First, by using GS1 Cloud, companies are able to confirm that their products are correctly identified in their systems through a valid GTIN code, which constitutes a necessary precondition for data reliability. Second, companies can gain all the information on the products as it is provided by the brand owner. They no longer have to gather information by non-verified sources or worry about the reliability of the information.

Furthermore, last year, the Purchasing and Supply Directorate of the Ministry of Health concluded an agreement with GS1 Cyprus concerning the adoption of GS1 standards to all purchases of consumables. According to the agreement, all products delivered to the pharmaceutical services are labelled according to the standards of the GS1 international system. This is the first and most significant step towards the adoption of the GS1 system across the public hospitals’ supply chain. In addition, the Cyprus BarCoding Service aspires to promote the GS1 standards in the context of the implementation of the General Healthcare Plan.

Finally, with the aim of providing the best possible service to Cypriot enterprises, GS1 Cyprus is currently at an advanced stage of discussion with the corresponding GS1 Association Greece concerning the adoption and implementation of the GS1 Global Data Synchronisation Network (GSDN) via the Greek platform (Data Pool). The specific GDSN platform, which relates to retail and wholesale trade, enables its user enterprises to share real time data at all times. The platform also enables user enterprises to search for new products and place them on their physical or online shops.

WASME

The CCCI represents 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.
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
..............................................................Polycarpos 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
..............................................................Marianna Hadjistephanou
STRUCTURE
OF LOCAL CCCIS

NICOSIA CCI
SECRETARY/DIRECTOR
.............................................................. Socrates Heracleous
DIRECTOR OF INDUSTRY & EUROPEAN ISSUES
.............................................................. Andreas Antoniades
SENIOR OFFICER TOURISM
.............................................................. Antigoni Heraclidou
SECRETARIAL PERSONNEL
.............................................................. Aphroulla Christodoulou
.............................................................. Chryso Charalambous

LIMASSOL CCI
SECRETARY/DIRECTOR
.............................................................. Christos Anastasiades
SENIOR OFFICERS
.............................................................. Anthia Papageorghiou
.............................................................. Nicolas Iordanous
SECRETARIAL PERSONNEL
.............................................................. Sophia Leonidou
.............................................................. Eleftheria Constantinou

FAMAGUSTA CCI
SECRETARY/DIRECTOR
.............................................................. Iacovos Hadjivarnavas
SECRETARIAL PERSONNEL
.............................................................. Christophis Zacharoudiou
.............................................................. Kika Charalambous
.............................................................. Andri Evangelou
.............................................................. Maria Christofi

LARNACA CCI
SECRETARY/DIRECTOR
.............................................................. George Psaras
SECRETARIAL PERSONNEL
.............................................................. Demetris Christou
.............................................................. Maria Poyadji

PAPHOS CCI
SECRETARY/DIRECTOR
.............................................................. Marinos Stylianou
OFFICER
.............................................................. Natasa Demetriou
Production: (Industry-Agriculture)

1. Association of Manufacturers of Paints, Varnishes and Adhesive Substances .............................................................. S. Tsouris
2. Association of Prefabricated Products of Concrete ..............................................................................................................
3. Cyprus Aerosol, Detergents and Cosmetics Manufacturers Association ..................................................................................
4. Cyprus Employers Association of Processors and Exporters of Citrus Fruit and Grapes ......................................................... Pl. Lanitis
5. Cyprus Exporters Association of Fruit and Vegetables ................................................................................................................
6. Cyprus Association of Incubators Enterprises .........................................................................................................................
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 ...........................................................................................................
10. Cyprus Association of Tissue Paper Converters ............................................................................................................................
11. Cyprus Association of Water Bottlers ...........................................................................................................................................
12. Cyprus Bakers Association ................................................................................................................................................................
13. Cyprus Breweries Association ............................................................................................................................................................
14. Cyprus Brick and Tile Manufacturers Association ......................................................................................................................... Ant. 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 Flour Manufacturers Association ........................................................................................................................................... Chr. Mitsides
19. Cyprus Ice-Cream Manufacturers Association ............................................................................................................................. P. Papaphilippou
20. Cyprus Macaroni Manufacturers Association ................................................................................................................................. D. Mitsides
21. Cyprus Meat Products Association ......................................................................................................................................................... K. Gregoriou
22. Cyprus Olive Mills Owners Association ................................................................................................................................................ Y. Yiannou
23. Cyprus Pharmaceutical Manufacturers Association ............................................................................................................................ Ch. Pattihis
24. Cyprus Plastics Processors Association ............................................................................................................................................... Chr. Papadopoulos
25. Cyprus Poultry Breeders Association ................................................................................................................................................. P. Mintikis
26. Cyprus Recyclers Association ................................................................................................................................................................. A. Kallis
27. Cyprus Sea Farming Association ............................................................................................................................................................. A. Kimonides
28. Cyprus Swimming Pools Association ..................................................................................................................................................... G. Ttofis
29. Cyprus Union of Furniture Makers and Carpenters ............................................................................................................................ M. Socratou
30. Cyprus Water – Treatment Companies Association ........................................................................................................................ I. Hadjivassilis
31. Pancyprian Association of Biogas-Energy Producers ........................................................................................................................... G. Andreou
32. Pancyprian Association of Dry Nut Processors ...................................................................................................................................... A. Neophytou
Professional Associations and Their Presidents

**Trade**

1. Association of Fruit & Vegetables Importers ................................................................. D. Theocleous
2. Association of Importers and Distributors of Automobile Spare Parts ................................................. 
3. Association of Importers of Infant & Baby Foods ............................................................... G. Papas
4. Association of Importers of Electrical Domestic Appliances ........................................................ O. Theodoulou
5. Association of Mass Consumption Goods Suppliers ............................................................... Z. Markides
6. Association of Sanitary-ware Merchants .............................................................................. A. Agathocleous
7. Cyprus Association of Beauty Saloon Distributors ........................................................................ Gr. Katsellis
8. Cyprus Association of Electrical Items Merchants ..................................................................... M. Hadjiyiannis
9. Cyprus Association of Importers of Alcoholic Beverages .............................................................. V. Petrides
10. Cyprus Association of Pharmaceutical Companies ...................................................................... Avg. Potamitis
11. Cyprus Association of Retail Trade Enterprises ........................................................................ G. Anelides
12. Cyprus Association of Tyre Importers ..................................................................................... P. Koullouros
13. Cyprus Booksellers Association ............................................................................................ A. Christou
14. Cyprus Jewelers Association .................................................................................................. F. Neophytou
15. Cyprus Plant Protection Association ...................................................................................... M. Kyriakides
16. Cyprus Veterinary Medicine Importers and Distributors Association ....................................... D. Lapithiotis
17. Pancyprian Association of Cooperative Pharma-Warehouses .................................................... K. Spanoyiannis
18. Pancyprian Association of Tax Electronic Systems and Office Machines Traders ....................... Al. Lyllitos
19. Timber and Building Materials Importers Association ................................................................ Ch. Petousis

**Services**

1. Association of Autogas Technicians ...................................................................................... A. Polycarpou
2. Association of Big Development Projects ............................................................................. A. Demertides
3. Association of Cyprus Banks ................................................................................................... Chr. Patsalides
4. Association of Cyprus Travel Agents ........................................................................................ V. Stamataris
5. Association of Higher Education Institutions of Cyprus .............................................................. S. Adamides
6. Association of Portfolio and Mutual Funds Investment Companies .............................................. –
7. Association of Professional Training Institutions ....................................................................... A. Georgiou
8. Association for Speeding up the Administration of Justice ......................................................... M. Clenides
9. Cyprus Advertising & Communication Agencies Association .................................................. St. Anastasides
10. Cyprus Association of Beauticians .......................................................................................... V. Ioannidou
11. Cyprus Association of Automotive Engineer Assessors ............................................................ A. Agathangelou
12. Cyprus Association of Conference Interpreters ......................................................................... M. Houvarta
13. Cyprus Association of Hotel Managers ................................................................................... Chr. Angelides
14. Cyprus Association of Information Protection and Privency ..................................................... K. Parpounas
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 Clearing Agents Association .................................................................................... P. Christodoullou
23. Cyprus Commercial Representatives Association .............................................................. N. Philippou
24. Cyprus Cultural and Special Interest Tourism Association .................................................. G. Michaelides
25. Cyprus Dive Centre Association .......................................................................................... N. Nicoloudou
26. Cyprus Federation of Business and Professional Women ..................................................... M. Papadopoulos
27. Cyprus Freight Forwarders and Logistics Association ......................................................... Th. Savvides
28. Cyprus Financial Services Firms Association ...................................................................... –
29. Cyprus General Bonded Warehousing Logistics Association ............................................. A. Meletiou
30. Cyprus Health Services Promotion Board .......................................................................... N. Kiliari
31. Cyprus Hotel Association .................................................................................................... H. Loizides
32. Cyprus Incentives and Meetings Association CIMA ............................................................. Chr. Siaziou
33. Cyprus Institute of Certified Management Consultants ..................................................... Sp. Rayias
34. Cyprus Land and Property Owners Association ................................................................... G. Mouskides
35. Cyprus Lifts Suppliers Association .................................................................................... A. Agapiou
36. Cyprus Marinas Association ................................................................................................ –
37. Cyprus Marine Industry and Commerce Association ........................................................... H. Kyriakides
38. Cyprus Mediation Association .............................................................................................. L. Mavrokordatos
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 ................................................................................ E. Athanasiou
43. Cyprus SPA Association ...................................................................................................... G. Tavelis
44. Cyprus Chefs Association ..................................................................................................... G. Damianou
45. Cyprus Ship Suppliers Association ...................................................................................... St. Parpoutsis
46. Cyprus Shipping Agents Association .................................................................................... P. Christodoullou
47. Cyprus Shipping Chamber ..................................................................................................... Th. Papadopoulos
48. Cyprus Tourist Guides Association ...................................................................................... P. Hadjicedemetrou
49. Cyprus Wind Energy Association ....................................................................................... A. Ellinas
50. Cyprus Women Association in Tourism ................................................................................ M. Trokoudi
51. Institute of Certified & Public Accountant .......................................................................... M. Skandalis
52. Insurance Association of Cyprus ........................................................................................ A. Stylianou
53. International Banks Association .......................................................................................... K. Zimarinn
54. International Real Estate Federation (Cyprus Chapter) – FIABCI .......................................... I. Antoniou
55. Junior Chamber of Cyprus .................................................................................................. G. Demetriadis
56. Pancyprian Association of Car Rental Owners ..................................................................... Sp. Spyrou
57. Pancyprian Federation of Private Recruiting Offices ............................................................ A. Tsangarides
58. Pancyprian Union of Clearing & Forwarding Agents ........................................................... K. Anastasiou
59. Private Sports Fields Association ......................................................................................... K. Pitsillides
BILATERAL BUSINESS ASSOCIATION

1. Cyprus – American Business Association ................................................................. Ch. Kakoullis
2. Cyprus – Austria Business Association ................................................................. N. Kyriakides
3. Cyprus – Belarus Business Association ................................................................. S. Pourgouras
4. Cyprus – Bulgaria Business Association ............................................................... X. Xenopoulos
5. Cyprus – Canada Business Association ................................................................. Mich. Antoniades
6. Cyprus – China Business Association ................................................................. P. Koouris
7. Cyprus – Croatia Business Association ................................................................. L. Benfield
8. Cyprus – Czech Business Association ................................................................. V. Loizou
9. Cyprus – Egypt Business Association ................................................................. A. Christofiades
10. Cyprus – France Business Association .............................................................. A. Kashouri
11. Cyprus – GCC Countries Business Association ............................................. Chr. Christoforou
12. Cyprus – Georgia Business Association ............................................................ L. Markides
13. Cyprus – Germany Business Association ........................................................... St. Nolte
14. Cyprus – Greece Business Association ............................................................... I. Isif
15. Cyprus – Hungary Business Association ........................................................... D. Vakis
16. Cyprus – India Business Association ................................................................. M. Andreou
17. Cyprus – Iran Business Association ................................................................. M. Gregoriades
18. Cyprus – Israel Business Association ................................................................. Chr. Papavassiliou
19. Cyprus – Jordan Business Association ............................................................... G. Pantelides
20. Cyprus – Italian Business Association ................................................................. J. Hadjihannas
21. Cyprus – Kuwait Business Association ............................................................... D. Tsingis
22. Cyprus – Lebanese Business and Professional Association ................................ A. Hadjiroosos
23. Cyprus – Libyan Business Association ............................................................... G. Loizou
24. Cyprus – Netherland Business Association ......................................................... G. Papanastasiou
25. Cyprus – Nordic Business Association ............................................................... P. Ceder
26. Cyprus – Polish Business Association ................................................................. Ms S. Pourgouras
27. Cyprus – Qatar Business Association ................................................................. M. Panayides
28. Cyprus – Romanian Business Association ......................................................... K. Erotokritou
29. Cyprus – Russian Business Association .............................................................. Ev. Evgeniou
30. Cyprus – Serbia Business Association ............................................................... K. Constantinou
31. Cyprus – Slovak Business Association ............................................................... A. Gregoriades
32. Cyprus – South African Business Association .................................................. Ms M. Zavrou
33. Cyprus – South East Asia Business Association ............................................. St. Demetriou
34. Cyprus – Spain Business Association ................................................................. M. Kiltou
35. Cyprus – Syrian Business Association ................................................................. A. Pitta
36. Cyprus – UK Business Association ................................................................. M. Michael
37. 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. Advisory Committee on the Regulatory Framework for the Conclusion of Double Tax Treaties
6. 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. Advisory Committee on Consumer Issues
6. Monitoring and Implementation Committee for the provisions of the Small Business Act
7. Committee for the Coordination & Monitoring of the Policy Statement for the Strengthening of the Business Ecosystem
8. Evaluation - Selection Committee for proposals for the European Awards for promotion of Entrepreneurship
9. Technical Committee of Agreements for Mutual Promotion and Protection of Investment
12. Monitoring Committee for the Strategic Plan for Tourism
13. Central working Group for the Drafting of the New National Industrial policy/Strategy

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

Ministry of Labour, Welfare & 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
10. Advisory Committees of the District Labour Offices
11. District Advisory Committees for Health and Safety
12. Co-ordinating Body for Senior Citizens
13. Advisory Body for Issues Relating to the Disabled
14. Advisory Committee for Consumer Issues
15. Monitoring and Implementation Committee for the provisions of the Small Business Act
17. Committee for the Equality of Sexes
19. National Agency for Demography & Family Policy
20. Committee for the Conditions of Service in Catering Establishments
22. Pancyprian Council of Chemical Substances
24. Council of the Mediterranean Institute of Management

Ministry of Education and Culture
1. Council of the Public School of Higher VET - Vocational Education & Training
2. Apprenticeship Council
3. National Agency of Longlife Learning

Ministry of Health
1. Board of General Health Scheme
2. Foodstuffs Council
Ministry of Justice & Public Order
1. National Committee for Women’s Rights
2. Radio and Television Industry Committee
3. Committee of the Guidance Center for Extra-mural and Reinstatement of Detainees
4. National Anti-Corruption Strategy

Ministry of Agriculture, Rural Development & Environment
1. Advisory Committee on Management of Packaging Materials
2. Agricultural Products Inspection Committee
3. Monitoring Committee for the Rural Development Plan
4. Committee for the ECO Label Award System
5. Committee for Environment Prize Award to Enterprises
6. Advisory Committee for the Management of Water Resources
7. National Committee for the International Dairy Federation (IDF)
8. Committee on the 2014-2020 Maritime Programme
9. National Rural Network

Ministry of Transport, Communications & Works
1. Road Traffic Transport Council
2. Limassol Port Council
3. Larnaca Port Council
4. Advisory Transports Authority

Directorate General for European Programmes, Coordination and Development
1. Monitoring Committee of the Programme Interreg Greece-Cyprus 2014-2020
2. Monitoring Committee of the Operational Programmes 2014-2020 (Sustainable Development and Competitiveness & Employment, Human Capital and Social Cohesion) co-funded by the Structural Funds of the E.U.
3. Monitoring Committee for the Mechanisms of the European Economic region and Norway
4. Council of the Foundation for the Management of the Lifelong Learning European Programmes
5. Governance Committee of the study for development of a Smart specialization Strategy in Cyprus.

Industrial Tribunal

Independent Committees
1. Council of the Cyprus Certification Organization (CYS) and of the Cyprus Certification Company
2. Independent Certification Council
3. Technical Committees for Standards and Quality
4. Selection Committee of the Cyprus State Scholarships Foundation
5. National Committee for questions of Lifelong construction of Public and Private Projects (Cyprus University)
6. Advisory Committee for the Formulation of a Strategic Plan for Renewable Energy Sources
7. Advisory Body on Standardisation in the Services of SEN/SAGS
8. National Payments Committee
9. Advisory Committee of the Cyprus Energy Agency
10. Pancyprian Volunteerism Coordinative Council
11. Evaluation Committee for the Active Citizen and Volunteer Worker Award

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
7. Advisory Committee for Social Insurance