



# Cyprus Report

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## Sustainable Governance Indicators 2022

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## Executive Summary

The sustained course of Cyprus's economic growth was abruptly interrupted by the COVID-19 crisis, which had a significant impact on the country's main sectors, tourism and construction, among others. Recovery started at the beginning of and continued through 2021. The strengthening of the economy prior to 2020 contributed to the relatively good management of the pandemic. However, uncertainty about the evolution of the pandemic continues to pose a major risk. Sources of concern include higher costs for the General Health System (GESY), and deficiencies in the general environment that affect investor and creditor trust in the economy.

Improvements in strategic planning started bearing fruits, but budgeted development projects are only partially executed. Analysis of regulatory impacts do not seem to be sufficiently taken into account. Policies and actions that threaten the effectiveness of the legal order and negate measures to fight corruption have continued. A non-meritocratic recruitment system impedes efforts to improve the quality of public services and gain public trust.

Cyprus benefited from the Recovery and Resilience Fund, and designed a plan that promotes a green economy, improves education and the social welfare system, and assists digitalization. At the same time, it upgraded R&I goals and mechanisms. Beyond these projects, a strategy to align the economy with green policies is missing, with unruly construction undermining both city planning and the environment. Efforts to reform local government and the justice system have progressed, but remain incomplete. Disclosures about large-scale corruption and the violation of laws in a "passport for real estate investment" scheme ("Golden Visa") forced the government to cancel it.

Democratic institutions and processes continued to function satisfactorily. However, interference with fundamental rights and blanket bans in connection to the pandemic were questionable. More serious was the suspension of local government and other elections, against the rule of law and the sovereignty of the people. While some reform measures were adopted, the main project for the extremely slow justice system is awaiting a parliamentary vote. Overall, the state administration has remained inefficient and slow. Clientelistic relationships, and expediency by the government and political parties challenge the generally accepted principle of a state operating for all citizens.

The efficiency of legislation on political party funding is questioned in audit reports because of serious loopholes. The government publicized anti-corruption measures and denied any wrongdoing in the “golden passports” affair, while the inquiry committee found that 53% of 7,000 passports were granted against the law.

The problem of non-performing loans (NPLs) seems smaller for the banks, but remains a risk for the economy. The labor market faces shortages in some sectors, with unemployment falling below 7%, after a surge in 2020. Full implementation of the General Health System (GESY), providing universal healthcare, was accompanied by worries about inflated costs. The lifting of cuts on benefits for public servants continued and will be completed by January 2023.

The pandemic had an uneven impact on various groups, with migrants (from both the European Union and third countries) and others remaining extremely vulnerable. While EU-funded social inclusion programs for migrants, asylum-seekers and others continued, government officials often resorted to racist measures and rhetoric instead of focusing on respect for international protections and standards. Some green projects were included in Cyprus’s Recovery and Resilience Plan, but the need for effective environmental policy remains a pressing concern. Cyprus must provide answers for the years-long failure to adopt EU directives and effectively implement environmental protection rules.

In 2020 and 2021, relations between the executive and parliament deteriorated. This was not an obstacle to progress on reforming the justice system and local government. Relations between the executive and auditor general were marked by tensions and confrontation, with the government attempting to limit his auditing activities.

Governance failings, favoritism in political appointments, and politically motivated interference in institutional functions and decision-making have persisted. Progress in efforts to develop strategic planning capacities have started to yield results, albeit insufficient results. Overall, the main problems include the failure of the government to fully comply with the principles of rule of law and, on another level, the lack of an effective administrative culture. These are serious obstacles to achieving sustainable results.

## Key Challenges

New challenges, in addition to existing challenges, have emerged from the pandemic for Cyprus and the world. A key priority is to design plans to face the impact from subsequent waves. In the short term, recovery plans should aim to reallocate resources to offer remedies to the uneven impact of the pandemic. Reforms that have stalled for many years should be approached holistically, if the goal is to achieve a sustainable economy. Emphasis should be on reforms that warrant a trustful policy environment, starting with the rule that policies should be based on sound regulation. Addressing structural and other deficiencies in the administration and expansion of effective strategic planning on all levels is fundamental. Establishing mechanisms for self-monitoring and continuously reassessing policies, overall and per service, is required. Ultimately, existing governance values need to change, re-establishing respect for and enhancement of fundamental democratic practices (i.e., the rule of law).

Within the financial sector, the government must prioritize measures that strengthen Cyprus's weak competitiveness. A comprehensive plan is needed to definitively settle issues related to non-performing loans. To avoid fiscal risks and safeguard the benefits to health provided by the General Health System (GESY), it is urgent to devise efficient oversight mechanisms and upgrade public healthcare services.

The opportunity offered by the Recovery and Resilience Plan for green policies challenges the government to holistically review its choices on social and environmental issues. A prerequisite for sustainability is to plan for a fully green economy. This requires a shift of emphasis from business and financial interests to the benefit of environmental protection before the resulting destruction becomes irreparable. This shift places greater weight on broader social benefits rather than on individual interests. To be meaningful, the small-scale funding from the Recovery and Resilience Plan for green public transportation and the promotion of renewable energy sources must be expanded rapidly. This would benefit the economy, the environment and society. The pandemic stressed once again that economic activity requires differentiation and a shift to productive sectors.

The decision to revise the tax system is an opportunity to promote equality. Measures are needed to fight aggressive tax planning, problems with tax collection and avoidance, and speed up the clearance of tax declarations. For

the system to ensure the equitable treatment of taxpayers and a fairer reallocation of resources, corporate taxation should not upset equity. Sectors such as family policies, pensions, healthcare and social welfare need sufficient funding. Enhancement of social equity is a first step to gradually return to a functioning welfare state.

Sustainability is and will remain at risk if the discretion and authority granted to the Council of Ministers is not limited. The unscrupulous violation of laws – such as is evident in the citizenship-for-investment scheme, the disorderly granting of construction permits for skyscrapers and the failure to protect the environment – point to the need to limit the powers of the Council of Ministers. Additionally, monitoring mechanisms are needed for effective oversight. The imminent reform of the justice system will only be the beginning in resolving problems with the administration of justice. More measures and time are needed so that justice benefits society, the financial and other sectors, and ultimately democracy. Beyond the need for transparency across all decision-making levels, state officials and political actors should endorse and respect ethical standards, and honestly accept when their wrongdoing is documented.

For reforms to bear results, a regular review of the government's actions and operations at all levels is required. Public bodies with a clear mandate for coordination and action would greatly benefit the efficiency of the state. With the imminent reform of local government, developing strategic planning capacities, applying rules and standards, and proper budget execution must be key priorities.

To conclude, meritocracy remains an unfulfilled promise and the public sector still requires capable managers to be appointed to key positions to efficiently promote reforms. For any reform to be successful, the administration needs to place service quality and the rule of law above all other aspirations.

## Party Polarization

A long-standing cleavage between left and right, shaped in the 1940s, has weakened considerably. In the 2021 elections, the two poles secured a combined 50.1% of the vote, 32.2% of the electorate. As the Cypriot president cannot face a vote of confidence, the impact of party polarization is limited. Neither a parliamentary vote, even by a party with government ministers, against a government proposal nor the outcome of parliamentary elections have any destabilizing effect on the government or the political system.

Party positions are polarized with respect to the Cyprus Problem, and often motivate voting patterns even on unrelated matters. The main challenges involve finding common ground, forming a voting majority, avoiding arbitrary decisions based on precarious or circumstantial majorities and political expediency. Political parties generally avoid legislation which could reduce their support from powerful interest groups.

Ideological polarization becomes more visible right before and immediately after a change of government, with those rising to power reversing the previous government's policies. This affects, in particular, the economy and the education system. (Score: 7)

# Sustainable Policies

## I. Economic Policies

### Economy

Economic Policy  
Score: 4

The strong growth and robust fiscal performance achieved prior to 2020 was abruptly interrupted by the COVID-19 crisis. Reports by the IMF, the ECB and the European Commission, among other institutions, stress that the main risk for the economy is uncertainty regarding the evolution of the pandemic. Other risks and weaknesses also persist. The improvement in the country's low competitiveness rating in 2019 was followed by a loss of ground in 2020.

EU membership, a strong services sector and favorable taxation system, could have made Cyprus more attractive to investors. The slow pace of long-overdue reforms – including infrastructural upgrades, digitalization, and changes to the education system and legal environment – has been an obstacle.

Some reforms along with efforts to re-establish confidence in the financial system have undermined the financial sector, which is governed by stricter rules today. The banking sector remains fragile, though significantly smaller following the default of two major banks since 2013. At present, major challenges are linked to operational costs, low margins and limited business opportunities.

Affected by the COVID-19 pandemic, economic performance in 2020 and 2021 rested on increased domestic demand. Revenue from tourism declined sharply, down to 35% of 2019 levels, and will need two years to fully recover. Growth is expected to be 5.4% in 2021 and 4.2% in 2022. While confident about the capacity of Cyprus to repay its debt, creditors note risks from the

higher costs incurred as a result of the national healthcare scheme (NHS /GESY) and the expansion of KEDIPES (which manages the NPLs of the former state-owned Cyprus Cooperative Bank (CCB) into a national asset management company. They stress the benefits for the economy from realizing long-overdue reforms.

Though more NPLs have been removed from banks, the ratio of NPLs remains high. Despite the increase in public debt, fiscal reserves, and support from European Union's recovery and resilience fund have mitigated the economy's vulnerability.

With Cyprus engaged in early campaigning for the February 2023 presidential elections, effective collaboration between the government and the parliament, required in order to promote long-overdue reforms, is doubtful.

Citation:

1. IMF, Cyprus: Cyprus 2021 Article IV Consultation – Press Release and Staff Report, June 2021, <https://www.imf.org/-/media/Files/Publications/CR/2021/English/1CYPEA2021001.ashx>
2. Cyprus slides down global competitiveness ranking, Financial Mirror, 18 June 2021, <https://www.financialmirror.com/2021/06/18/cyprus-slides-down-global-competitiveness-ranking/>
3. European Commission, Post\_programme Surveillance Report, Cyprus, Autumn 2021, [https://ec.europa.eu/info/sites/default/files/economy-finance/ip163\\_en.pdf](https://ec.europa.eu/info/sites/default/files/economy-finance/ip163_en.pdf)

## Labor Markets

Labor Market  
Policy  
Score: 6

The labor market benefited from the recovery of the economy in 2021. Unemployment was 6.6% in the third quarter, against 6.5% in mid-2019, and some sectors will face labor shortages in 2022. Support measures linked to the pandemic maintained the rate at 8.2% in fall 2020. The labor force in 2021 comprised 64.6% of the population, against 62.8% in 2019 and 62.9% in 2020. The broader public sector employs 14.8% of the labor force. Per sector employment in 2021 was 17.3% in industry, 2.8% in agriculture and 79.9% in services (79.4% in 2019). In 2021, the NEET indicator for young people (aged 15–29) fluctuated between 14.3% and 16.9% (17.4% in 2018).

During the pandemic, support for businesses came with a clause that prevented them from dismissing personnel. The regulatory framework protects workers from being unlawfully dismissed. However, shortcomings in the implementation of labor rights in recent years have affected “tripartism,” a system of consultation between the state, businesses and employees, leading to tensions in labor relations. Cuts to salaries and pensions imposed since 2011 in the broad public sector will be completely lifted in January 2023. The private sector also suffered severe cuts in salaries and benefits. There are also instances of employment with very low salaries and no social benefits. Labor



market distortions persist, with the privileged public and banking sectors “competing” with a relatively weak private sector.

The pandemic unevenly affected groups and sectors of activity, with young persons and women suffering the most. The IMF has recommended active labor market policies to reallocate labor and resources. Mitigating the impact of the pandemic on inequalities would require strengthening family support policies, adjusting education to market needs, and introducing retraining and other measures. To address these issues, authorities need to improve their planning and implementation capacity.

Serious issues of concern include persistently high rates of youth unemployment (14.5% against 14.9% in 2019) and long-term unemployment (2.2%, same as in 2019). Meanwhile, problems exist in employment status – the short-term rate is 13.1% against 15% in 2019, and part-time rate is 10.2% against 11.5% in 2019.

Women are affected slightly more than men. Only 59% of women participate in the formal labor force and 54.8% were employed in the third quarter of 2021, compared to 70.6% and 66.3% for men.

Migrant workers, who comprise 21.9% of the employed workforce (11.2% other-EU migrants and 10.7% non-EU migrants), remain the most vulnerable group and are often exploited by employers, which negatively affects their economic situation.

Citation:

1. Labour Force Survey, Q3-2021, Statistical Service ROC, 2021 <https://www.cystat.gov.cy/en/PressRelease?id=64815>
2. IMF, Cyprus: Cyprus 2021 Article IV Consultation – Press Release and Staff Report, June 2021, <https://www.imf.org/-/media/Files/Publications/CR/2021/English/1CYPEA2021001.ashx>

## Taxes

Tax Policy  
Score: 6

Strengthening tax collection and processing mechanisms (e.g., auditing), as well as fighting tax evasion and avoidance remain unfulfilled goals.

The present tax system, introduced in 2001, is comparatively uncomplicated, both with respect to individual provisions and structure. Direct and social taxes yield relatively little revenue, because of a high threshold of taxable income offset at €19,500. This results in a low tax burden on labor and an increased dependency on corporate and value-added taxes. A levy on salaries and a real-property tax imposed in 2013 were terminated in 2017, while a levy of 30% on interest income from bank deposits remains in force.

The COVID-19 crisis highlighted problems, including the high reliance on corporate and value-added taxes on non-sustainable activities, which may not guarantee sufficient financial resources in the long run. The pandemic also affected tax income, which compounded tax collection problems and meant a large proportion of overdue taxes remained uncollected. Clearance of tax declarations faces many-years-long delays.

Tax equity is to some extent achieved through the progressive increase in individual income-tax rates from 20% to 35%. However, widespread tax evasion and tax avoidance, and a flat rate of 12.5% for companies are negatively affecting equity. They allow aggressive tax planning, and benefit liberal professions and highly profitable companies. The IMF and the European Commission stress the need for a revised tax system.

Corporate tax will be raised to 15%, but plans to support companies via other measures will maintain the imbalance in tax equity. Broader changes to the tax system have been agreed, including green taxes, and rebates on the basis of the Recovery and Resilience Plan. The latter will benefit climate and environmental policies, which is a problematic area.

Citation:

1. European Commission, Council Recommendation, on the 2020 National Reform Programme of Cyprus..., May 2020, Brussels, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0513&from=EN>
2. IMF, Cyprus: Cyprus 2021 Article IV Consultation – Press Release and Staff Report, June 2021, <https://www.imf.org/-/media/Files/Publications/CR/2021/English/1CYPEA2021001.ashx>

## Budgets

Budgetary Policy  
Score: 7

The Law on Fiscal Responsibility and Fiscal Framework of 2014 provided budget design and implementation processes that meet the government's strategic targets. This required the administration to gradually acquire strategic planning capacities. Positive results were achieved, with large fiscal surpluses and a reduction in the public debt. The good performance of the previous years, assisted by tax, tourism and other buoyant revenues was interrupted by the pandemic. However, surpluses helped the authorities to face the repercussions of the pandemic by providing support to businesses and people.

Praise for the country's economic performance in surveillance reports also included warnings, for example, not to loosen strict fiscal discipline and to promote structural reforms to enhance spending reviews.

The 2022 budget aims to consolidate economic recovery and growth, and reduce the public debt below 100% of GDP. Officials have referred to it as

“the budget for reforms and a green economy.” Concerns are linked to uncertainty around the development of the pandemic and its impact, among other things, on the national healthcare system, GESY. GESY is a source of worry, as expenses have exceeded initial estimates.

GDP was expected to grow by 5.4% in 2021 compared to a contraction of 5.3% in 2020. The debt-to-GDP ratio was expected to recede to 104.1% in 2021 and 97.6% in 2022, against 115.3% in 2020.

Citation:

1. European Commission, Council Recommendation, on the 2020 National Reform Programme of Cyprus..., May 2020, Brussels, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0513&from=EN>
2. IMF, Cyprus: Cyprus 2021 Article IV Consultation – Press Release and Staff Report, June 2021, <https://www.imf.org/-/media/Files/Publications/CR/2021/English/1CYPEA2021001.ashx>
3. Green transition deal will be painful for some warns minister, Cyprus Mail, 23 October 2021, <https://cyprus-mail.com/2021/10/23/green-transition-deal-will-be-painful-for-some-warns-minister/>

## Research, Innovation and Infrastructure

R&I Policy  
Score: 4

An upgraded effort to boost research and development was initiated in 2019. The European Union suggests that a major challenge is to strike a balance between spending on R&D, which lies mainly with higher education, and promoting cooperation between universities and businesses. Nevertheless, Cyprus ranks first among EU member states in terms of the amount of funding per capita the country has received from Horizon 2020.

After shaping a new research and innovation policy framework in 2019, under the National Council for Research and Innovation, the government established the Deputy Ministry for Research, Innovations and Digital Policy. The new institution is tasked with shaping and implementing policies on research and digitalization.

While Cyprus’s position in the Global Competitiveness Index declined in 2021, after improving in the previous year, the country ranked second in the European Union’s 2021 scoreboard for progress achieved in R&I.

In addition, the R&D expenditure target of 0.5% of GDP for 2020 was surpassed (0.85%), with the target revised to 1.5% of GDP for 2023.

Citation:

1. Council Recommendation on the 2020 National Reform Programme of Cyprus... 2020, May 2020, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0513&from=EN>
2. Eurostat, Gross domestic expenditure on R&D (GERD), update 14 December 2021, [https://ec.europa.eu/eurostat/web/products-datasets/-/t2020\\_20](https://ec.europa.eu/eurostat/web/products-datasets/-/t2020_20)

Stabilizing  
Global Financial  
System  
Score: 3

## Global Financial System

Effective monitoring of the market and compliance with international standards remain major challenges for Cyprus. Despite taking measures to enhance the regulatory framework, the government's policies to attract foreign investors have been undermined by corruption. The work conducted by the Securities and Exchange Commission, and the Unit for Combating Money Laundering (MOKAS) has been ineffective in serious cases of money laundering and corruption.

Amendments to laws on money laundering and terrorism-related activities that aimed to align with EU directives have strengthened the deterrence regime. Among new measures adopted is the seizing of property acquired through unlawful activities. Since January 2017, Cyprus is a signatory to the Common Reporting Standard for information exchange.

Bank-oversight mechanisms have been enhanced to avoid transgressions, such as the failure to follow rules governing large exposures, and minimum capital and liquidity. Various laws related to the resolution of NPL-related challenges have been adopted, but with limited impact so far.

The government denied any wrongdoing following the European Commission's Report on Investor Citizenship and Residence Schemes in the European Union (2019), as well as media reports by Reuters (October 2019) and Al Jazeera's Cyprus Papers (August 2020) reveal serious corruption linked with selling passports. Even after officially stopping the scheme, authorities continued to sell passports.

### Citation:

1. Investor citizenship schemes: European Commission opens infringements against Cyprus and Malta for "selling" EU citizenship, October 2020, [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_1925](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1925)
2. Masis De Parthog, Lack of transparency helps corruption spread, Financial Mirror, 18 October 2020, <https://www.financialmirror.com/2020/10/18/lack-of-transparency-helps-corruption-spread/>
3. Jean Christou, Brussels tells Cyprus to stop processing pending citizenship applications, Cyprus Mail, 9 June 2021, <https://cyprus-mail.com/2021/06/09/brussels-tells-cyprus-and-malta-stop-selling-eu-citizenship-launches-further-procedures/>

## II. Social Policies

### Education

Education Policy  
Score: 7

Primary education in Cyprus is almost exclusively public, as is 80% of secondary education. Public and private institutions offer tertiary education, while significant numbers of Cypriots study abroad. While literacy is near 100% for young persons, the rate of students leaving school early (11.5%) is higher than the EU average (9.9%). This is due to very high rates among non-Cypriots. Reforming education and solving chronic problems has been slow. This remains a challenge as it depends on the political and ideological antagonisms of successive governments, and the diverse interests of the stakeholders. The implementation of executive decisions or new laws is often problematic because of stakeholder reactions. Talks between teacher unions and the Ministry of Education have been in progress since 2018.

Schooling from the pre-primary level to the age of 15 is compulsory. The kindergarten enrollment rate is 90.1% (2020), with kindergarten places offered mainly by public and communal authorities, while nurseries are mostly private. Vocational schools, apprenticeship programs, and other education and professional training schemes are provided by public authorities and educational institutions, among other organizations. Attendance rates remain lower than the EU27 average. Depending on income criteria, tertiary-level students receive a modest allowance. While public education is free, parents pay various education-related expenses.

The pandemic has revealed weaknesses and deficiencies in organization, digital skills and infrastructure. Actions under the Recovery and Resilience Fund aim to address these and other significant challenges. They include responding to the needs of immigrant children and adults to facilitate social inclusion, reallocation of resources to increase participation in ICT and STEM subjects, new infrastructure and plans to improve vocational education and training (VET), and improving the skills match between education and the market.

The high expenditure on education (5.4% of GDP compared to an EU27 average of 4.7%) has to be justified against the achieving educational outcomes, which are still considered poor.

Citation:

1. European Commission, Education and Training Monitor 2021, Cyprus, December 2021, <https://op.europa.eu/webpub/eac/education-and-training-monitor-2021/en/cyprus.html#B8>

## Social Inclusion

Social Inclusion  
Policy  
Score: 6

Both the AROPE (at risk of poverty or social exclusion) and the AROP (at risk of poverty) indicators declined from 23.9%/19.1% in 2018 to 21.3%/17.6% in 2020 (based on the revised AROPE definition, November 2021). The Gini coefficient was 29.3% compared to 29.1% in 2018. The pandemic prompted successive adjustments to the social support system in an effort to mitigate the impact of the lockdowns and compensate for the loss of income. Subsidies to businesses and assistance to people were provided on condition that they would prevent the dismissal of staff.

The new Deputy Ministry of Welfare was created in 2021, with the aim that the ministry will improve the work and quality of welfare services. Beyond the pandemic support schemes, existing policies continued, including a guaranteed minimum income, as well as targeted measures for vulnerable and disadvantage groups.

The AROPE indicator for non-Cypriots remained unchanged, 33.3% against 33.6% in 2018, which is almost double the rate for Cypriots (17.8%). It improved to 27.8% from 29.7% in 2018 for other-EU nationals, but not for non-EU citizens (36.1% against 36% in 2018). Persons over 65 years old were in a worse position in 2020 (ARPE 24% against 23.5%) with men affected more than women, though women face a higher risk of poverty or social exclusion (25.2%).

The IMF stresses the need for policies to achieve universal recovery. It is evident that the high NEET indicator and the uneven impact of the pandemic as shown by the AROPE figures above are issues of concern. Although inclusion is promoted in special education programs, the condition of non-Cypriots, who comprise a core component of the labor force, calls for more action from the authorities.

Citation:

1. At-risk-of-poverty indicators 2008-2020, Cyprus Statistics Service, 2021, [https://library.cystat.gov.cy/NEW/EUSILC-POVERTY-A2008\\_2020-EN-300821.xls](https://library.cystat.gov.cy/NEW/EUSILC-POVERTY-A2008_2020-EN-300821.xls)

2. At-risk-of-poverty indicators 2015-2020 (revised), Cyprus Statistics Service, 2021, [https://library.cystat.gov.cy/NEW/EUSILC-POVERTY\\_NewDefinition-A2015\\_2020-EN-021121.xls](https://library.cystat.gov.cy/NEW/EUSILC-POVERTY_NewDefinition-A2015_2020-EN-021121.xls)

## Health

Health Policy  
Score: 6

The General Health System (GESY) started operation in June 2019 and, from June 2020, has gradually offered an increasingly full array of services. Healthcare entered a new era with services provided to all residents. This replaced the previous unregulated system, which suffered from the highest rates of out-of-the-pocket spending in Europe, long waiting times, and inequalities in access and inefficiency.

The system responded well to the challenges posed by the pandemic, with limited impact on health in general and a low number of deaths. Despite constraints and deficiencies affecting the quality of healthcare, the state of health in Cyprus is better than on average in the EU27. In 2019, the infant mortality rate was 2.6 per 1,000 live births, and life expectancy at birth was 80.1 years for men and 84.2 for women.

The major challenges facing the system include proving the system's resilience in the face of the pandemic, securing adequate and sustainable funding, and becoming fully autonomous and self-sufficient within five years (i.e., by mid-2024). However, some critics have pointed to cases of abuses of the system, which increases spending beyond the amount budgeted. Both the IMF and the European Commission have expressed concerns and warn that increased spending presents, among other things, a risk to public finances.

### Citation:

1. European Commission, Cyprus – Country Health Profile 2021, <https://eurohealthobservatory.who.int/docs/librariesprovider3/country-health-profiles/chp2021pdf/cyprus-countryhealthprofile2021.pdf>
2. European Commission, Post\_programme Surveillance Report, Cyprus, Autumn 2021, [https://ec.europa.eu/info/sites/default/files/economy-finance/ip163\\_en.pdf](https://ec.europa.eu/info/sites/default/files/economy-finance/ip163_en.pdf)
3. Audit accuses HIO of violating law and philosophy of Gesy, Cyprus Mail, 9 December 2021, <https://cyprus-mail.com/2021/12/09/audit-accuses-hio-of-violating-law-and-philosophy-of-gesy/>

## Families

Family Policy  
Score: 4

Family support services are limited, despite recent improvements. It's difficult for women to combine motherhood and employment, which makes increasing the birth rate difficult (1.33 in 2019 compared to 1.37 in 2016). Nevertheless, 77.8% of women aged 25 to 54 were employed in Q3 2021 (75% in 2018). Under the Recovery and Resilience Plan, free pre-primary education will start earlier, with public kindergartens. However, childcare for younger children is offered primarily by the private sector and in community centers supervised by the Ministry of Labor.

Family members, mainly grandparents, offer childcare, contributing to a lower AROPE rate among children (23% in 2019). Eurochild says the Recovery and Resilience Plans for Cyprus and most other EU member states ignore children's well-being. Children suffered from the COVID-19-related lockdown, although support measures provided children with some assistance.

The operation of kindergartens in most communities, and full-day preschool and primary school care in many communities, which had clearly benefited families, was disrupted by the COVID-19 lockdown. Resumption and expansion of operations would further improve the overall situation.

Multi-member families receive special allowances and the guaranteed minimum income has alleviated financial difficulties. In addition to a 2017 law granting paternity leave, a new law extended maternity leave and employment protections.

Furthermore, what is needed is comprehensive policies for women, families and children's well-being.

Citation:

1. Cyprus – Country Profile on the European Semester and COVID-19 crisis, 2020, <https://eurochild.org/uploads/2021/02/CY-ECH-S20-profile.pdf>

## Pensions

Pension Policy  
Score: 5

Improvements achieved by policies that benefited elderly people in recent years were disrupted by the COVID-19 crisis. AROPE rates show that the impact of the pandemic was high on persons over 65, who have always faced a higher risk of poverty and social exclusion. The gradual reversal of cuts to pensions has continued in 2022, which will further improve the expenditure-to-GDP ratio.

With a focus on providing support and assistance to face the COVID-19 crisis, no pension developments occurred in 2020 and 2021. Public service employees remain in a better position than private sector workers. Retirement ages vary according to employment sector. Public employees receive state and social insurance pensions, and a retirement bonus. However, the government and trade unions agreed on the creation of a new social insurance scheme and fund for those employed after 2011. Private sector employees have access to social insurance benefits and some have access to provident fund schemes.

A new policy framework was adopted in 2019, which is expected to improve the currently inadequate system. The new framework should strengthen the



currently weak supervision of the insurance and pension schemes. However, this has not been translated into law, yet.

Reforms introduced in 2010 have, among other things, benefited pensioners. Despite improvements to their financial situation, pensioners and especially women remain vulnerable, with a high AROPE rate.

The European Commission noted in 2017 that the gender gap in pensions is the highest in the European Union.

Citation:

1. Our View: Public sector pensions need overhaul without delay, Cyprus Mail, 13 October 2021, <https://cyprus-mail.com/2021/10/13/our-view-public-sector-pensions-need-overhaul-without-delay/>
2. At-risk-of-poverty indicators 2008-2020, Cyprus Statistics Service, 2021, [https://library.cystat.gov.cy/NEW/EUSILC-POVERTY-A2008\\_2020-EN-300821.xls](https://library.cystat.gov.cy/NEW/EUSILC-POVERTY-A2008_2020-EN-300821.xls)

## Integration

Integration Policy  
Score: 4

Foreign labor increased from 20.6% in 2019 to 21.9% of the employed workforce in 2021 (with 11.2% other-EU workers and 10.7% non-EU workers). The composition of labor started to change in 1989 with an initial flow of workers from southeast Asia, then from Central-East Europe, and from other-EU member states after 2004. The need to manage the increase in undocumented migrants became urgent in 2020 and 2021. Policies largely focused on stopping the flow rather than managing integration.

Despite pressure, particularly from the Council of Europe and NGOs, to respect migrants' rights, official policies, practices and rhetoric have been blatantly racist and, compounded by mainstream media reports, have exacerbated the already high rates of xenophobia. Official statements targeting migrant children prompted an immediate reaction from the child protection commissioner. COVID-19 measures very negatively affected migrants' rights, and the situation in reception and detention centers, which was already critically poor.

In a long letter to the interior minister, in March 2021, the Council of Europe's commissioner for human rights asked for reports about the pushback, ill-treatment and collective expulsion of migrants, as well as poor conditions at reception centers and the deprivation of migrants' rights to be investigated.

Poor performance on most relevant indicators persists, including access to the labor market, culture and education, and on reuniting families and ensuring civil rights. A positive response to recommendations by the ECRI (2016) was expected to include a comprehensive policy framework. However, rhetoric and actions have moved in the opposite direction, with the situation worsening.

What has dominated the public sphere has neutralized positive actions. In the framework of EU programs, local authorities and others are involved in integration projects. Education is provided to all children and special programs to facilitate inclusion are run in schools, albeit in a climate of negative official discourse and society reactions. The labor market has somewhat opened to migrants, but securing formal employment or obtaining long-term residence status remain extremely difficult. Given the impact of the COVID-19 crisis, migrants' AROPE rate has remained very high, twice that of Cypriots.

The above points to inconsistencies, contradictions, and an official stance that lacks genuine concern for human rights and dignity.

Citation:

1. Commissioner of Human Rights, CoE, Letter to Cyprus Interior Minister, 21 March 21, <https://rm.coe.int/letter-to-mr-nicos-nouris-minister-of-interior-of-cyprus-by-ms-dunja-m/1680a1c09b>
2. Government under fire for migrant scaremongering, Financial Mirror, 12 November 2021, <https://www.financialmirror.com/2021/11/12/government-under-fire-for-migrant-scaremongering/>
3. MPs shocked at state of Pournara refugee centre, Cyprus Mail, 13 December 2021, <https://cyprus-mail.com/2021/12/13/mps-shocked-at-state-of-pournara-refugee-centre/>

### Safe Living

Internal Security  
Policy  
Score: 7

Generally considered a safe environment, Cyprus ranks as the fifth safest country worldwide, according to a survey by French insurer Insurly. Its relatively vulnerable points are the zone dividing the government-controlled areas and Turkish-occupied north, as well as sections of one of the UK military bases in the north.

The country is a trafficking destination for forced prostitution and labor. It is not part of the Schengen area.

Incidents of serious crime are rare. Burglaries and robberies are by far the most common crimes, while digital crimes have gradually increased. Law enforcement is largely deficient in cases of minor wrongdoings. However, violations of the driving code (a large-scale offense) often lead to deaths. Illegal drug activity is comparatively low overall, but a sustained increase in illegal drugs confiscated at entry points has been noted.

The COVID-19 crisis led police to assume many more responsibilities related to enforcing compliance with restrictions.

Citation:

1. Holidays: Safest country in world for 2020 revealed – is it where you're going on holiday? Express, 14 February 2020, <https://www.express.co.uk/travel/articles/1245837/holidays-2020-safest-country-in-the-world-switzerland-safe-travel-news-latest>

### Global Inequalities

Global Social  
Policy  
Score: 3

There has been a lack of information on the issue for many years.

Cyprus's participation in and contribution to development-cooperation programs has been very limited and mainly within the context of its membership in major international organizations. Its policies were tied to that of the European Union, and materialized in the context of international cooperation and bilateral agreements. A contributor to Unitaid, Cyprus participated in financing mechanisms for climate change. It has also provided assistance for infrastructure development, social services, including healthcare and human development, and environmental protection.

However, no data has been made available on the CyprusAid website since 2013.

Beyond the country's continued contribution to Unitaid, no other actions and policies appear to form part of a specific national strategy.

Citation:

1. Data on ODA, Cyprus, [http://www.cyprusaid.gov.cy/planning/cyprusaid.nsf/page11\\_en/page11\\_en](http://www.cyprusaid.gov.cy/planning/cyprusaid.nsf/page11_en/page11_en)

## III. Environmental Policies

### Environment

Environmental  
Policy  
Score: 4

Cyprus's response to several warnings from the European Commission regarding the country's systematic failure to comply with EU environmental rules, accumulated by the eve of 2020, came two years later, as a draft law that sets the requirements for impact assessments was presented to the parliament. The absence of ambitious goals is accompanied by a lack of urgency to meet obligations. Environmental policies have been insufficient and inadequately implemented. Meanwhile, the basic targets of Europe 2020 have not been met.

The environmental issues are absent from the EU post-program surveillance reports. Cyprus's Recovery and Resilience Plan for 2021 to 2026 mostly focuses on energy issues, although 2020 targets were missed, and to some extent on climate protection. This means that other areas where problems persist do not receive the attention they deserve.

Regulations protecting Natura 2000 areas, both inland and at sea, remain pending, while projects with deficient or no impact assessment threaten these areas. The Akamas peninsula and other sites remain at risk from plans or decisions of the government sidelining environmental protection. Despite water management being a major environmental challenge, authorities have approved several new water-intensive projects (e.g., golf courses). Desalination continues while the reuse of wastewater remains limited. Energy policy is at the heart of the Recovery and Resilience Plan, while fossil fuel exploration continues. The main policies in the Recovery and Resilience Plan consist in introducing green taxation, investing in energy efficiency measures and renewables, and promoting sustainable green mobility. With these policies, Cyprus is expected to benefit from its natural advantages in solar energy, to promote energy efficient buildings, and to shift from the use of private cars to cycling, walking and the use of electric cars. Green taxes may assist in reducing waste generation and improving the efficiency of waste management.

Promotion of green mobility started with subsidies for electric cars and bicycles. However, given substantial infrastructural problems and the limited amount of subsidies available, transport continues to be almost exclusively dominated by private combustion-engine cars.

Given the island's vulnerability to climate change, Cyprus participated in the eighth Summit of the Southern EU Countries and in the second Eastern Mediterranean Conference on Climate, among other meetings.

It remains to be seen whether initiatives and statements will translate into concrete actions, whether expert warnings will be sufficiently convincing and whether the authorities will comply with existing EU rules. New projects with significant negative effects for ecosystems have been approved. The unruly construction of very high buildings continues in defiance of town planning rules and the limitations they impose. Laws such as the one voted in 2017 leave the door open for the privatization of natural resources.

Political expediency favors financial interests at the expense of environmental protection. Politicians, businesses, and representatives from both public and private institutions persistently press for the relaxation of environmental protection rules. Local and central government authorities continue to highlight the importance of profit to justify decisions damaging the environment.

Citation:

1. Cyprus's Recovery and Resilience Plan, 2021, <https://ec.europa.eu/info/sites/default/files/com-2021-398->

cyprus\_factsheet\_en.pdf

2. Cyprus petrol price hike to pay for €40 mln eco-fine, Financial Mirror, 31 January 2021, <https://www.financialmirror.com/2021/01/31/cyprus-petrol-price-hike-to-pay-for-e40-mln-eco-fine/>

3. Activists attacked, threatened with shotgun, bird protection group says, Cyprus Mail, 21 September 2021, <https://cyprus-mail.com/2021/09/21/activists-attacked-threatened-with-shotgun-bird-protection-group-says/>

4. Ministry defends decision to green light multi-story building in down town Nicosia, Cyprus Mail, 21 December 2021, <https://cyprus-mail.com/2021/12/21/ministry-defends-decision-to-green-light-multi-story-building-in-down-town-nicosia/>

## Global Environmental Protection

Global  
Environmental  
Policy  
Score: 4

Cyprus has ratified many international conventions and protocols relating to environmental protection, and it participates in numerous international organizations and meetings. However, policies are not proactive and authorities often fail to act efficiently. With the promotion of the European Union's Recovery and Resilience Fund, Cyprus participates in climate and environmental policy meetings with other EU and non-EU countries. Following a 2019 initiative of President Anastasiades concerning cooperation among eastern Mediterranean countries on climate change, a second conference was held in Nicosia in 2021. Given the country's poor environmental performance, only tangible results could lead to a re-evaluation of Cyprus's performance.

Citation:

1. 8th Summit of the Southern Countries of the European Union, Declaration, Athens, 17.9.2021, [https://www.pio.gov.cy/assets/pdf/newsroom/2021/09/EU%20MED\\_Declaration\\_Climate-Environment.pdf](https://www.pio.gov.cy/assets/pdf/newsroom/2021/09/EU%20MED_Declaration_Climate-Environment.pdf)

2. PIO, Speech by the President of the Republic, Mr. Nicos Anastasiades, at the 2nd International Conference on Climate Change ..., 13 October 2021, <https://www.pio.gov.cy/en/press-releases-article.html?id=23318#flat>

# Robust Democracy

## Electoral Processes

Candidacy  
Procedures  
Score: 9

Registration requirements for candidates are minimal and relate to citizenship, age, mental soundness and criminal record. The president of the republic must belong to the Greek community. Citizens of other EU member states have voting and eligibility rights in local elections. Eligibility to vote and contest a seat in European Parliament elections was extended to Turkish Cypriots residing in areas not under the government's control in 2014. Citizens of non-EU countries have no voting rights. Simultaneously holding a public office and/or a post in the public service and/or a ministerial portfolio and/or an elected office is constitutionally prohibited.

The eligibility age to be president is 35. The eligibility age was reduced from 25 to 21 for municipal and community councilors, and European Parliamentarians in 2013, and for deputies in 2019. Candidate registration procedures are clearly defined, reasonable, and open to media and public review. A candidate must be proposed and supported by registered voters: Two voters for local elections, four for parliamentary elections, and, since 2016, one voter proposing and 100 supporting a candidacy for presidential elections.

A financial deposit is also required from candidates running for office, ranging from €5 (community elections) to €2,000 for presidential elections. This is returned to candidates who meet vote thresholds specific to each election type.

An example of discrimination is the higher thresholds to enter parliament for party alliances.

Citation:

1. The Constitution of the Republic of Cyprus, [https://www.constituteproject.org/constitution/Cyprus\\_2013.pdf?lang=en](https://www.constituteproject.org/constitution/Cyprus_2013.pdf?lang=en)
2. The Law on the Election of the members of the House of Representatives, L.72/1979, in Greek, [http://www.cylaw.org/nomoi/enop/non-ind/1979\\_1\\_72/full.html](http://www.cylaw.org/nomoi/enop/non-ind/1979_1_72/full.html)
3. Christophoros Christophorou, Parties and coalitions, un-democratic law provision, 2021, <https://www.eklektor.org/parties-and-coalitions-un-democratic-law-provision/>

Media Access  
Score: 7

Media access for parties and candidates is regulated for radio and television. No law exists for digital media and no obligation is set for the press. However, newspapers offer coverage to all parties and candidates in their print and online editions.

The Law on Radio and Television 7(I)/1998 and specific regulations require equitable and non-discriminatory treatment by commercial channels. The law on the public broadcaster (Cyprus Broadcasting Corporation, RIK) and regulations provide for fair and equitable treatment of political actors. Equity must be respected, particularly during the pre-election period, the definition of which varies in law. Airtime must be allotted to political parties in accordance with the number of parliamentary seats they control and their territorial implantation.

Broadcasters are required to adopt an in-house code of coverage. The Cyprus Radio Television Authority (CRTA) monitors compliance with the rules, but publishes an annual report only on the public broadcaster. Paid political advertising on broadcast media is allowed during the 40 days preceding elections, on equal terms for all, without discrimination. It appears that there is compliance with the rules on media access. However, the absence of publicly available codes of conduct and relevant reports negatively impacts our evaluation.

In the 2021 parliamentary elections, the very low proportion of female candidates and women in media was indicative of the lack of a gender balance. Daily activities and heavy advertising by the government have likely upset the balance and the fairness of media coverage.

Citation:

1. The Law on Radio and Television Stations, L. 7(I)/1998, in Greek, available at [http://www.cylaw.org/nomoi/enop/non-ind/1998\\_1\\_7/full.html](http://www.cylaw.org/nomoi/enop/non-ind/1998_1_7/full.html)
2. Regulations on fair treatment of parties and candidates, Normative Administrative Acts (NAA) 193/2006 available at [http://www.cylaw.org/nomothesia/par\\_3/meros\\_1/2006/1641.pdf](http://www.cylaw.org/nomothesia/par_3/meros_1/2006/1641.pdf) (in Greek)
3. Christophoros Christophorou (2021), The President, the Government and the Integrity of the Elections, <https://www.eklektor.org/the-president-the-government-and-the-integrity-of-the-elections/>

Voting and  
Registration  
Rights  
Score: 7

Voting ceased to be mandatory since 2017. Exercising voting rights requires registration on the electoral roll. Despite amendments aiming to facilitate participation, registration deadline may be up to three months before an election. No means of e-voting or proxy voting exist. The voting age is 18, down from 21 since 1996. Special arrangements enable prisoners and other groups to exercise their voting rights. Grouping voters in distant polling stations seems to favor abstention. Overseas voting since 2011 is organized in some cities in Europe and elsewhere. Only 7% of Turkish Cypriots living in the areas not under the Cypriot government's control voted in the 2019

European Parliament elections. A Turkish Cypriot was among the six candidates elected to the European Parliament.

Voter registration by young citizens remains very low (20-25% of those eligible) since the early 2000s. Additionally, abstention rates have risen sharply, ranging from 28% in presidential elections to more than 50% in local and European Parliament elections.

To overcome problems caused by the COVID-19 restrictions, legal amendments enabled voting by affected persons and expats.

In September 2021, under the pretext of working on the (long-standing) local government reform, the government and the parliament suspended for 30 months municipal, communal and school council elections.

1. Local government elections postponed until May 2024, Financial Mirror, 17 September 2021 <https://www.financialmirror.com/2021/09/17/local-government-elections-postponed-until-may-2024/>

Party Financing  
Score: 3

Political parties and affiliated organizations receive annual and extraordinary state funding since 1989. Law amendment in 2015 sought to regulate private funding and fight corruption. The ceiling of donations, financial or other, is set at €50,000; the list of donors for sums over €500 must be published. Parties and candidates must submit their accounts, including election-related to the Ministry of Interior (registrar of political parties). Responsibility for monitoring and publishing annual reports lies with the auditor general.

Election campaign spending for parliamentary candidates is capped at €30,000. For presidential candidates, the ceiling is €1 million. Activities that would constitute corruption may be punished with fines and/or imprisonment.

GRECO concluded in a 2018 report that its recommendation on transparency in party funding had been implemented satisfactorily. The auditor general audited party and candidate accounts for the parliamentary and municipal elections in 2016, the presidential elections in 2018, and the European Parliament elections in 2019. In all reports, he pointed to problems that limit the scope and efficiency of control, gaps in the law, the lack of a legal obligation for submitting payment documents, and the lack of a clear definition for “personal expenses,” among other things.

Given the provision of state funding, the caps set for donations and candidate expenses seem excessively high for an electorate of 550,000 voters. In addition, the criteria and procedures for setting the size of state subsidies to political parties remain opaque. The regulatory measures adopted represent a positive step, but there remains a lack of transparency.



Popular Decision-Making  
Score: 2

Citation:

1. Auditor General, Audit of Candidates' Electoral Expenses Reports for the Presidential Elections of 2018, 15 January 2021, [http://www.audit.gov.cy/audit/audit.nsf/056020A6F9626802C225876B003B52EA/\\$file/ELECTION%20EXPENSES%20PRESIDENTIAL%20ELECTIONS%202018%2015012021%20%CE%95%CE%9D.pdf](http://www.audit.gov.cy/audit/audit.nsf/056020A6F9626802C225876B003B52EA/$file/ELECTION%20EXPENSES%20PRESIDENTIAL%20ELECTIONS%202018%2015012021%20%CE%95%CE%9D.pdf)

The constitution makes no provision for referendums and does not grant citizens the right to make binding decisions. Law 206/1989 provides that the Council of Ministers can initiate such a procedure and ask the House of Representatives to decide on whether a referendum should be held. Citizens cannot petition to initiate such a process. The Interior Ministry must call and organize the vote.

Local referendums are held under the law when communities wish to become municipalities or change their status. However, the government and the parliament have proceeded to bypass the popular will and impose law reforms on local government. They have suspended the municipal and communal elections that were due in December 2021.

Citation:

1. Law on organizing referendums, L. 206/1989, available in Greek at, [http://www.cylaw.org/nomoi/enop/non-ind/1989\\_1\\_206/full.html](http://www.cylaw.org/nomoi/enop/non-ind/1989_1_206/full.html).  
2. Local government elections postponed until May 2024, Financial Mirror, 17 September 2021, <https://www.financialmirror.com/2021/09/17/local-government-elections-postponed-until-may-2024/>

### Access to Information

Media Freedom  
Score: 7

The regulatory framework for the press, radio and television guarantees media independence. However, no law exists for digital media.

In practice, attacks against the media and efforts by the government to influence the media continued in 2020 and 2021. The most notable incident took place in October 2020, when President Anastasiades told journalists, "Don't mention Al Jazeera to me, so that the devil does not take you away!" Media treatment of third-party reports and statements attempts to shield the president and government from criticism. Individual columnists are often critical of the government, but editorial media lines remain "protective." This may be the result of the government's efforts to gain favor with the media through appointments to political and other positions.

Legal requirements for launching a publication are minimal. The Press Law 145/1989 is supplemented by self-regulation. Media owners, publishers and the Union of Journalists signed a code of journalistic ethics in 1997, and established a complaints commission composed mostly of media professionals.

RIK, the public broadcaster, is a public entity governed by a board appointed by the Council of Ministers. Appointments to this body are politically motivated and the board lacks media expertise. Interference by both the government and political parties undermines freedom of expression and limits pluralism.

Provisions of EU media directives are the backbone of the law that governs private audiovisual media services. Oversight of commercial media and RIK's compliance with its public-service mandate is carried out by the Cyprus Radio Television Authority (CRTA). The CRTA has extensive powers and a broadly independent status. However, appointments, made by the Council of Ministers, are often politically motivated rather than based on expertise or competence. The regulatory role of the CRTA has been very limited over the years.

On another level, the attorney general's constitutional powers to seize newspapers or printed matter constitutes a threat to freedom of expression.

Citation:

1. President defends gaffe over Al Jazeera 'gotcha video', Financial Mirror, 15 October 2020, <https://www.financialmirror.com/2020/10/15/president-defends-gaffe-over-al-jazeera-gotcha-video/>
2. Reporters without borders, Cyprus, 2021, <https://rsf.org/en/cyprus>

Media Pluralism  
Score: 7

The legacy media landscape is shrinking while digital media proliferates in an unregulated environment. Media companies are extending their hold over the press, and the broadcasting (mainly radio) and online sectors. Dependency on financial interests has increased. This is evident in media content that is less critical about or lacks any reporting on specific businesses or interests. Despite strict radio and television ownership rules, which disallow cross-media conglomerates, deficient regulation and enforcement do not attract scrutiny.

Media outlets, among other businesses, benefited from state grants and subsidies during the COVID-19 crisis.

The COVID-19 crisis dominated news reporting. While corruption and migration occupied ample media space, mainstream media defined their coverage in terms of the Cyprus Problem to "defend Cyprus against threats." Corruption linked to selling passports and the crisis with Turkey, connected to exploration for hydrocarbons, made the headlines. The influx of undocumented migrants also made the news, with frequent interventions from state officials, which were often loaded with racist rhetoric and endorsed by the media. The absence of quality reporting and the lack of a watchdog are major problems that constrain pluralism.

Publicity of the Recovery and Resilience Plan offered the government ample coverage. Along with other mainstream actors, state officials largely monopolized media access. With parliamentary elections held in May, public focus was on partisan confrontations and blame games, which left little space for meaningful public debate.

Citation:

1. Media Pluralism Monitor Cyprus, 2021 [https://cadmus.eui.eu/bitstream/handle/1814/71941/cyprus\\_results\\_mpm\\_2021\\_cmpf.pdf](https://cadmus.eui.eu/bitstream/handle/1814/71941/cyprus_results_mpm_2021_cmpf.pdf)
2. Andrew Rosenbaum, Qatar, Al Jazeera, Turkey: a network against Cyprus, Cyprus Mail, 25 August 2020, <https://cyprus-mail.com/2020/08/25/qatar-al-jazeera-turkey-a-network-against-cyprus/>
3. Cyprus must rethink asylum policies, says MP, Financial Mirror, 24 September 2021, <https://www.financialmirror.com/2021/09/24/cyprus-must-rethink-asylum-policies-says-mp/>

Access to  
Government  
Information  
Score: 3

In December 2017, the parliament approved a law “to regulate the right of access to information in the public domain.” The law aimed to create a comprehensive framework that would solve problems, fill in gaps and iron out contradictions in existing rules, dispersed in a variety of laws.

After twice suspending the promulgation of the law, this started in December 2020. The law grants the commissioner for information the power to monitor compliance. This role is assigned to the commissioner for data protection. Exceptions regarding access to information relate to courts and other instances, mainly for cases where examination procedures are ongoing.

Ministries and other public bodies have an obligation to publish information to which access is possible under the law and respond to requests for information within specific timeframes. Complaints can be addressed to the commissioner for information.

One year since the promulgation of the law, the only information available is about seminars that were held, and 25 complaints submitted and five decisions (not published).

Citation:

The Law to regulate access to information in the public domain, L. 184(I)/2017, in Greek, [http://cyllaw.org/nomoi/enop/non-ind/2017\\_1\\_184/full.html](http://cyllaw.org/nomoi/enop/non-ind/2017_1_184/full.html)

### Civil Rights and Political Liberties

Civil Rights  
Score: 6

The constitution guarantees civil rights for all, but, despite some positive steps, significant problems persist. These problems include human trafficking, the treatment of asylum-seekers, economic and irregular migrants, and forced labor. Compliance with EU and international rules and standards remains deficient.

The U.S. Department of State placed Cyprus in Tier Two, considering that “it does not fully meet the minimum standards for the elimination of trafficking.” The 2020 report of anti-traffic group of experts (GRETA) of the Council of Europe points to numerous problems. GRETA stresses the need to do more to combat human trafficking, provide legal advice and establish a support fund to compensate victims of trafficking. It also calls for special care when dealing with cases involving the abuse of children. Labor inspectors should be trained so they can prevent abuse of domestic workers and detect human trafficking, while authorities should review issues which make asylum-seekers vulnerable to trafficking.

Overcrowding in prisons was alleviated during COVID-19 with the release or placement in open detention of detainees. The ombudsman reported lower numbers of complaints by detainees for abuse or maltreatment. In other 2020 reports the Ombudsman’s Office observes that the treatment of asylum-seekers and conditions in detention centers were very problematic.

Sectors of the economy where migrant workers are employed are not regularly visited by labor inspectors, as noted in the U.S. State Department report for 2020. A study for the Ombudsman’s Office reported cases of abuse, violence and overexploitation of foreign domestic workers. Despite the positive action of NGOs to mitigate problems, they are often targeted by officials with vague baseless allegations of illegal activities. Generally, official narratives have increased the society’s negative stance toward immigrants.

A radical change in official narratives and practices are needed, along with a new culture of respect for all humans. The high AROPE rate for non-native persons points to their vulnerability and the urgency of protection.

Citation:

1. USA State Department, 2021 Trafficking in Persons Report: Cyprus, <https://www.state.gov/reports/2021-trafficking-in-persons-report/cyprus/>
2. GRETA – Cyprus third evaluation Report, 11 June 2020, <https://www.coe.int/en/web/anti-human-trafficking/-/greta-publishes-its-third-evaluation-report-on-cyprus>
3. Ombudsman’s report on foreign domestic workers, December 2020, [http://www.ombudsman.gov.cy/ombudsman/ombudsman.nsf/All/2358C433C1A0F629C2258646002B79DA/\\$file/Domestic%20workers%20.pdf](http://www.ombudsman.gov.cy/ombudsman/ombudsman.nsf/All/2358C433C1A0F629C2258646002B79DA/$file/Domestic%20workers%20.pdf)

Political Liberties  
Score: 7

Political liberties and fundamental human rights are generally protected. NGOs and other associations flourish in Cyprus. The multiplication of communication channels facilitates the organization of petitions, protests and rallies. The Church of Cyprus dominates society and interferes in the education system, and is a source of pressure on the Greek Orthodox and other churches. In 2020, several religious minority groups complained about access

to, facilities at and the state of places of worship, as well as interference with religious freedoms.

Professional associations and trade unions continue not only to enjoy easier access to public authorities than weaker groups and citizens of third countries, but they are also better received. Third-country citizens need assistance from NGOs to understand and claim their rights.

Although libel has been decriminalized since 2003, both threats to sue and recourse to the courts are often used to silence critics. In 2020 and 2021, there have been isolated cases of interference and attacks on free expression by the authorities.

The blanket ban on public gatherings and demonstrations, introduced because of the COVID-19 crisis, was an extreme measure that violated people's rights. Moreover, it was not enforced in a coherent way, with the police able to exercise discretion when banning, cracking down on or tolerating public gatherings.

Taking into account the persistence of clientelist systems, founded on discrimination on the basis of party affiliation, we consider that citizens' liberties and rights are not fully respected.

Citation:

1. Department of State, 2020 Report on International Religious Freedom: Cyprus, <https://www.state.gov/reports/2020-report-on-international-religious-freedom/cyprus/>
2. Amnesty International, Cyprus: Police violence must be investigated and blanket ban on protest lifted, <https://www.amnesty.org/en/latest/news/2021/02/cyprus-police-violence-must-be-investigated-and-blanket-ban-on-protest-lifted/>
3. MPs grill Justice Minister for reporting parody account, Financial Mirror, 15 February 2021, <https://www.financialmirror.com/2021/02/15/mps-grill-justice-minister-for-reporting-parody-account/>

Non-discrimination  
Score: 6

Article 18 of the constitution guarantees equality and non-discrimination for all. It explicitly prohibits discrimination, while legislation aims to proactively protect the rights of minority groups. However, in practice, policies do not effectively meet existing challenges, and inequalities and discrimination persist.

Various laws adopted in line with EU directives on gender equality and against discrimination have not achieved significant progress. Instead of combating racism and other forms of discrimination, officials often adopt xenophobic narratives. Enforcing rules that protect the rights of persons with disabilities does not seem to be a priority. Persons needing assistance, including school children, have faced increased problems because of the COVID-19 crisis.

The Council of Europe’s ECRI (2019) stated that its 2016 recommendations are still valid. More is needed to enable the Office of the Ombudsman to act as an effective anti-discrimination authority. The response to the strong recommendation that the authorities “develop a new integration plan for non-nationals,” including various foreign groups, was rather negative. Policies are increasingly discriminate against non-native people, as indicated in a letter from the Council of Europe’s commissioner for human rights to the interior minister in March 2021.

In the Gender Equality Index for 2021, Cyprus scored 57 points, 11 points below the EU average (68).

Citation:

1. Gender Equality Index 2021 – Cyprus, <https://eige.europa.eu/gender-equality-index/2021/country/CY>

2. CoE European Commission Against Racism and Intolerance, Conclusions on the Implementation of Recommendations, Cyprus, June 2019, <https://rm.coe.int/interim-follow-up-conclusions-on-cyprus-5th-monitoring-cycle-/168094ce05>

### Rule of Law

Legal Certainty  
Score: 4

Under the law of exception since 1964, the state features a very powerful executive and “independent officers,” who take decisions that frequently exploit excessive discretionary powers. In many instances, the Council of Ministers and other authorities show limited concern for principles of the rule of law.

Court decisions before 2019 confirmed that measures to tackle the economic crisis of 2013 were not consistent with the law. In recent years, laws passed by the parliament were declared unconstitutional by the Supreme Court. Various measures promoted by the government and/or the parliament to deal with non-performing loans are also problematic.

Revelations about the so-called Cyprus Investment Program, linked with the granting of citizenship, showed that basic rules and legality were violated. The inquiry committee found that more than half of the passports granted to “investors” were in violation of the law.

In July 2020, President Anastasiades appointed two of his ministers to be attorney general and deputy attorney general, positions that are responsible for handling cases related to government decisions in which they participated.

Sustained clashes between the president, who stated that the “strict application of regulations can harm public interests,” and his government, on the one hand, and the auditor general, on the other, also took the form of threats that the auditor general would face prosecution.

Judicial Review  
Score: 7

Citation:

1. More than half citizenships given through investment unlawful, inquiry concludes (updated), Cyprus Mail, 16 April 2021, <https://cyprus-mail.com/2021/04/16/more-than-half-citizenship-given-through-investment-unlawful-inquiry-concludes/>
2. Ministry defends decision to green light multi-story building in down town Nicosia, Cyprus Mail, 21 December 2021, <https://cyprus-mail.com/2021/12/21/ministry-defends-decision-to-green-light-multi-story-building-in-down-town-nicosia/>

The Administrative Court, which was established in 2016, contributed to somewhat speeding up the administration of justice, but failed to meet critical challenges. A Supreme Court 2021 study showed that backlogs (cases older than two years) counted for 58% of the total cases in trial courts; in appeal courts the rate was 63% for civil law and 44% for administrative law.

Studies, proposals, plans and actions recently have taken attempted to shorten delays in proceedings. Meanwhile, an upgrading of material infrastructure has started, e-justice is making its first steps, a school for judges was established by law in 2020 and new rules of procedure are awaiting a parliamentary vote. However, the major issue is a long-awaited vote in parliament on critical reforms.

A survey of lawyers identifies problems in the judicial system and questions the judiciary's integrity. Since late 2018, claims of nepotism, and links between justices' families and leading law firms have been raised. However, in its compliance report, published in November 2020, GRECO concludes that all of its 2016 recommendations for the judiciary were satisfactorily implemented.

Without a vote on and the implementation of reforms, timely judicial review remains highly problematic. Public authorities feel free to violate the law, since justice is applied belatedly.

Citation:

1. [http://www.supremecourt.gov.cy/judicial/sc.nsf/All/0759C496EB6BC10DC2258764003BB541/\\$file/EKΘEΣH KAΘYΣTEPHMENEΣ YΠOΘEΣEΙΣ \(BACKLOG\) - Γ. EPΩTOKPITOY.pdf](http://www.supremecourt.gov.cy/judicial/sc.nsf/All/0759C496EB6BC10DC2258764003BB541/$file/EKΘEΣH KAΘYΣTEPHMENEΣ YΠOΘEΣEΙΣ (BACKLOG) - Γ. EPΩTOKPITOY.pdf)
2. GRECO – Cyprus - Fourth Evaluation Report Corruption prevention in respect of members of parliament, judges and prosecutors November 2020 <https://rm.coe.int/fourth-evaluation-round-corruption-prevention-in-respect-of-members-of/1680a06389>
3. Most lawyers doubt impartiality of judges, Cyprus Mail, 16 December 2021, <https://cyprus-mail.com/2021/12/16/most-lawyers-doubt-impartiality-of-judges/>

Appointment of  
Justices  
Score: 6

The judicial system functions on the basis of the 1960 constitution, albeit with modifications to reflect the circumstances prevailing after the collapse of bicomunal government in 1964. The Supreme Council of Judicature (SCJ), composed of all 13 judges of the Supreme Court, appoints, promotes and

places justices, except those of the Supreme Court. The latter are appointed by the president of the republic upon the recommendation of the Supreme Court. By tradition, nominees are drawn from the ranks of the judiciary. In response to GRECO's 2016 recommendations, a draft law includes provisions that deepen and extend participation in the SCJ. Rules of procedure and criteria for selecting judges were adopted in late 2019 and posted on the Supreme Court's web portal.

Reforms awaiting parliamentary approval would change the structure of the courts and number of justices, and create the Supreme Constitutional Court and Supreme Appellant Court. These courts will assume the competences of the current Supreme Court.

The gender balance within the judiciary as a whole is approximately 60% male to 40% female. Six of the 13 Supreme Court justices (including the president) and five of the seven Administrative Court justices are female.

Citation:

1. GRECO – Cyprus – Fourth Evaluation Report Corruption prevention in respect of members of parliament, judges and prosecutors November 2020 <https://rm.coe.int/fourth-evaluation-round-corruption-prevention-in-respect-of-members-of/1680a06389>

Corruption  
Prevention  
Score: 3

The conviction of officials and others for corruption since 2014, and successive plans presented by the government have been received with skepticism by a public that is not convinced that a true will to fight corruption exists.

GRECO observed in its 2020 compliance report that most of its anti-corruption recommendations for the parliament were not implemented. We note, however, that rules on party financing, introduced in compliance with recommendations, have gaps and problems that affect transparency and effective control.

The European Commission repeated in late 2021 its 2019 observations on corruption. A draft law for an anti-corruption agency is still under examination, while a whistleblower protection issue remains pending. A critical issue is that, for existing codes of conduct, no monitoring, evaluation mechanisms or reports are established. This is the case for ministerial and public sector codes of conduct.

Media, the auditor general and government-appointed inquiry committees established that officials, including the Council of Ministers, acted in violation of laws and/or ethical standards in connection to the granting of passports to investors. Officials choose to talk about mistakes or abuse of the system,



refuting the real problem, corruption, which is not an issue of mistake. Without accepting the facts, the credibility of any anti-corruption plan or effort remains low.

Citation:

1. GRECO – Cyprus – Fourth Evaluation Report Corruption prevention in respect of members of parliament, judges and prosecutors November 2020 <https://rm.coe.int/fourth-evaluation-round-corruption-prevention-in-respect-of-members-of/1680a06389>
2. Anastasiades feels vindicated by passport probe, Knews-Kathimerini, 3 July 2021, <https://knews.kathimerini.com.cy/en/news/anastasiades-feels-vindicated-by-passport-report>
3. More than half citizenships given through investment unlawful, inquiry concludes (updated), Cyprus Mail, 16 April 2021, <https://cyprus-mail.com/2021/04/16/more-than-half-citizenship-given-through-investment-unlawful-inquiry-concludes/>

# Good Governance

## I. Executive Capacity

### Strategic Capacity

Strategic  
Planning  
Score: 4

The foundations of integrating strategic planning into administrative practices were mainly laid out in 2014 reforms. The Directorate General for European Programs, Coordination and Development (DGEPCD) was assigned competences for planning, coordination, monitoring and the evaluation of implementation. The DGEPCD was renamed the Directorate General of Coordination (DGC) and placed under the Ministry of Finance (December 2021). This seems to clarify and strengthen the DGC's role as the general coordinator for the above tasks.

In line with the 2014 law on fiscal responsibility, planning and coordination of development by the DGC, headed by the secretary of the Council of Ministers and under the finance minister, may be more coherent.

Implementation of strategic planning has been slow, because of the lack of services needed to acquire capacity and planning skills. A three-year strategic plan is now found on the websites of all ministries, an indication of the progress made. The Recovery and Resilience Plan supplements the overall goals of planning.

However, implementation seems problematic. Since 2016, only 67% of development projects have been completed. Meanwhile, the extent to which ad hoc policies compromise the coherence of planning is an open issue.

Citation:

1. Ministry of Finance, 2020, Strategic Framework for Fiscal Policy (in Greek), <http://mof.gov.cy/en/publications/strategic-framework-for-fiscal-policy>
2. Many in the budget, little executed (in Greek), Philenews, 9 January 2022, <https://www.philenews.com/oikonomia/kypros/article/1371523/proypologzoyn-polla-ekteloy-n-lig>

Expert Advice  
Score: 3

Appointments to the managing councils of public law entities include scholars. With regard to expert participation in consultative bodies created in the past, little is known about their work or fate.

Advisory bodies have long existed, although with limited tasks and scope of work, and limited to providing non-binding advice. Their voluntary work was supplementary to that of the administration.

Institutions in which experts participate, such as the Fiscal Council, the Economic Council and the Scientific Council for Research have seen their work and advice largely ignored. The new Deputy Ministry for Research and Digital Development (2020), a chief scientist and the Scientific Council for Research, appointed in 2018, are working together on research.

While the state rarely seeks experts' advice, it has been working closely with experts on COVID-19 issues since early 2020.

#### Interministerial Coordination

GO Expertise  
Score: 2

Under the constitution, a line minister is fully responsible for his/her ministry. Each ministry drafts bills and forwards them to the Secretariat of the Council of Ministers, which ensures that the Law Office has checked them for legal soundness and conformity to established formats. The Secretariat offers administrative support to the cabinet's work, forwards decisions to the competent offices and monitors implementation. According to the constitution, "the general direction and control of the government and the direction of general policy" lies with the Council of Ministers. However, the council does not possess the necessary administrative depth or mechanisms to evaluate proposals and collectively chart policy.

Some GO control lies with the minister of finance and the cabinet, under the law on fiscal responsibility. This is, however, limited to mostly budgetary issues.

Line Ministries  
Score: 3

The only permanent service directly linked with the presidential palace is the Secretariat of the Council of Ministers. All other services are established ad hoc by the president in office. The tasks of the secretariat are limited to providing administrative support and checking the format of proposals. The Attorney General's Office checks the legality of draft legislation. Ministries draft laws with reference to established policies or general frameworks decided by the cabinet. Draft laws are presented to the Council of Ministers and are only discussed during the deliberation process.

Cabinet  
Committees  
Score: 5

The law on fiscal responsibility assigns to the finance minister (ultimately to the Council of Ministers) control over policy proposals connected to general budgetary plans and policies. It is hard to see how under the constitution a central coordinating body with effective and comprehensive oversight powers can exist.

Forming ad hoc and ministerial committees is a regular practice, which derives from the need to coordination between ministries on policies with overlapping competences. The constitutional limit of ministries (11) creates multiple overlapping areas. Existing committees deal with sector-specific matters that are within the powers of many ministries. The formulation of policy frameworks is also within their purview. Departments or technical committees mainly from within the ministries support their work; in some cases, they may seek contributions from external experts. The scope of work and degree of efficiency in committee coordination are not easy to assess, given that no activity reports are published.

1. Cabinet decides to set up committee to aid Lebanese people, Cyprus Mail, 21 August 2021, <https://cyprus-mail.com/2020/08/21/cabinet-decides-to-set-up-committee-to-aid-lebanese-people/>

Ministerial  
Bureaucracy  
Score: 5

The broad area that each of the 11 ministries is responsible for has been extended to new fields since EU membership. Ministry officials and civil servants participate in ad hoc bodies or seek coordination with other ministries and formulate policy proposals. Final decisions rest with the ministers themselves, who sometimes apply political criteria. While ministers have exclusive powers within their ministry, bureaucrats have an increasingly significant role in formulating policies and proposals.

The new Directorate General of Coordination (DGC) under the Ministry of Finance may turn it into a centralized coordination body, increasing consultation and coordination between line ministries.

1. More coordination needed to help unaccompanied minors, Cyprus Mail, 22 November 2021, <https://cyprus-mail.com/2021/11/22/more-coordination-needed-to-help-unaccompanied-minors/>

Informal  
Coordination  
Score: 4

Informal meetings take place, but are not a regular practice. The practice is affected by the state of relations at the time between the government and parties. In 2020 and 2021, meetings involved COVID-19 issues, and the Recovery and Resilience Plan, among other issues.

Early party interest in the February 2023 presidential elections may lead to less formal contacts in 2022.

Citation:

1. Political party leaders meet president Anastasiades to discuss measures, Cyprus Mail, 19 March 2020, <https://cyprus-mail.com/2020/03/19/political-party-leaders-meet-president-anastasiades-to-discuss-measures/>

Digitalization for  
Interministerial  
Coordination  
Score: 4

Cyprus ranks 21 in the European Union for DESI indicators, below the EU average. The Recovery and Resilience Plan dedicates significant funds for digitalization. It is expected that the new Deputy Ministry for Research and Digital Development will contribute to accelerating change.

At present, digital technology covers a small spectrum of government work and activities, while the percentage of public services delivered digitally increased from 40% in 2016 to 62% in 2021. An ERP system, which has been in development since 2018, is expected to be operational in 2022, facilitating inter-service work in accounting, payroll, pensions, budgeting and human resource management. No information is available about a comprehensive digital interministerial system.

Citation:

1. European Commission, The Digital Economy and Society Index 2021, Cyprus <https://ec.europa.eu/newsroom/dae/redirection/document/80492>

### Evidence-based Instruments

RIA Application  
Score: 6

An RIA scheme was introduced in 2007 as part of a project to improve regulation. A robust RIA tool was adopted in 2016 and training programs enabled its use in 2017.

Responsibility for RIAs, placed initially under the now dissolved Unit for Administrative Reform, passed first to the Department of Public Administration and Personnel, and then, in September 2021, to the DGC. The RIA project will be reviewed in light of the European Commission's guidelines for improving RIA schemes. This review and the transfer of responsibilities means that the project is in a transitional phase.

A critical issue seems to be the fact that policies with a broad and strong impact are not subject to RIAs. This is the case for decisions by the Council of Ministers, such as the infamous "investment program," the granting of permits for skyscrapers against the limitations of town planning and the sale of Cypriot citizenship. The impact of such policies not only neutralizes the positive effects of RIAs, it also negates regulatory improvements.

Quality of RIA  
Process  
Score: 5

The OECD's 2019 RIA report is the latest available assessment. It is unlikely that issues such as reduced human resources that affect implementation and monitoring have been resolved. With responsibilities recently transferred for a second time, delays and coordination issues are probable. Under the existing scheme, the impact of efforts to improve regulation have been clear. Stakeholders' participation in the process increases the success of the assessment; RIAs are more effectively implemented when SMEs are concerned.

Sustainability  
Check  
Score: 4

At present, the RIA website is under review and remains inaccessible to the public. There are plans to post on the new website all the relevant processes, information and results.

So far, assessment questionnaires inquire on positive and negative impacts of a policy proposal across various aspects of the economy, society, and environment as well as on the processes and work of the government. They also include questions on methods and processes followed, such as interactions with other ministries' services and consultations with the public and other stakeholders.

There are three questionnaires: for new legislation or amendments, for legislation transposing EU directives into national law and for legislation ratifying international treaties.

Questions on sustainability remain exclusively economic, focusing on budgetary impacts and macroeconomic effects. An assessment of possible impacts on human rights is still absent.

Quality of Ex  
Post Evaluation  
Score: 2

Given the deficiencies in strategic planning, ex post evaluation has not been part of government practice. However, in reformed framework of commitments for public administration, since 2012, the government has solicited studies from the World Bank and others. These studies on public administration and line ministries aimed to restructure and reform public administration and its procedures, while also reviewing general policies. However, specific policies in ministries are not subject to evaluations and progress achieved on the basis of studies undertaken by external bodies has been slow.

While acknowledging the need that sectoral reviews should form part of strategic planning, the government still has not introduced it.

### Societal Consultation

Public  
Consultation  
Score: 5

Consultation with societal actors has been limited to a small spectrum of powerful organizations and, in any case, consultation does not reach the stage of policy formulation. When discussing a draft bill, parliamentary committees invite a broad spectrum of stakeholders to present their views. Generally, vociferous stakeholders, such as trade unions and business associations, may engage in consultations with the government and/or political parties before final policy decisions are made. They are more successful than weak groups in securing their demands.

After exiting the memorandum of understanding with its creditors, in early 2016, the government started accommodating previously rejected demands. In addition, critical reforms, such as privatizing the telecoms and electricity utilities, have been abandoned due to trade union pressure.

Public consultation before decision-making is regularly practiced by most departments. The results and impact of such consultations are usually transparent or made public.

In the RIA framework, SME representatives are systematically consulted and participate in the process as stakeholders.

The government consulted with political parties on important issues, such as the COVID-19 crisis and the elaboration of the Recovery and Resilience Plan in 2020/2021.

Citation:

1. Unions accused of unrealistic demands amidst labour shortage, Cyprus Mail, 27 October 2021, <https://cyprus-mail.com/2021/10/27/unions-accused-of-unrealistic-demands-amidst-labour-shortage/>

### Policy Communication

Coherent  
Communication  
Score: 3

Government communication with the public has been increasingly confusing in 2020/2021. In many instances, announcements about COVID-19-related measures were contradictory, while intended clarifications and exceptions spread confusion. On other issues, multiple, contradicting statements from members of the government turned coherent communication into an unattainable goal.

In 2020 and 2021, the Al Jazeera network published revelations, which a government-appointed inquiry committee and the auditor general subsequently investigated, that the president and his government were involved in corruption related to the selling of passports. Their communication performance was poor and subsequent statements that attempted to justify actions were less convincing than the initial ones. Resorting to conspiracy theories and attempting to discredit critics were subsequently belied by new information, which did not help the government's credibility. Thus, improving public information and dispelling confusion saw little success in the period under review.

Communication on the Recovery and Resilience Plan was comparatively clear and coherent.

## Citation:

1. Al Jazeera reports are propaganda, not journalism, Nouris says (Update 3), Cyprus Mail, 26 August 2021, <https://cyprus-mail.com/2020/08/26/al-jazeera-reports-are-propaganda-not-journalism-nouris-says/>
2. Our View: President is very skillful at passing the buck, Cyprus Mail, 22 October 2021, <https://cyprus-mail.com/2021/10/22/our-view-president-is-very-skilful-at-passing-the-buck/>

**Implementation**

Government  
Effectiveness  
Score: 5

The European Commission and the IMF considered the government's management of COVID-19-induced economic impacts to be relatively good. They praised the containment of unemployment, which in 2021 returned to the pre-crisis rate, and the positive effects of the recovery on the current account deficit, which was affected by measures of support. Support measures were timely and funded by cushion reserves. An early recovery was a surprise, although the IMF suggests that special measures are needed in order to compensate for the uneven impact of the crisis on various groups. The European Commission points to risks from the current account deficit; inflation, which has increased due to higher energy prices; and the increase in costs for the General Health System (GESY). The European Commission also called for caution if KEDIPES is transformed into a national asset management company. It notes the expected positive impact from the implementation of the Recovery and Resilience Plan.

With the recovery that started in early 2021, the initial increase in public debt due to the introduction of support measures has receded and is expected to fall below 100% in 2022.

Despite good economic indicators, both the European Union and the IMF underline that uncertainty about how the COVID-19 crisis will develop remains a major risk for the economy.

## Citation:

1. IMF, Cyprus: Cyprus 2021 Article IV Consultation – Press Release and Staff Report, June 2021, <https://www.imf.org/-/media/Files/Publications/CR/2021/English/1CYPEA2021001.ashx>
3. European Commission, Post\_programme Surveillance Report, Cyprus, Autumn 2021, [https://ec.europa.eu/info/sites/default/files/economy-finance/ip163\\_en.pdf](https://ec.europa.eu/info/sites/default/files/economy-finance/ip163_en.pdf)

Ministerial  
Compliance  
Score: 4

Under the presidential system, the appointment and dismissal of a minister are the president's prerogative. Implementation of line ministry policies rests entirely with each minister. The list of projects and works being implemented is posted on the website of EXANDAS. The monitoring of the execution of tasks is carried out by the Secretariat of the Council of Ministers. The absence of dedicated personnel or processes for the overall assessment of ministries and public policy compliance may be due to constitutional constraints.



Monitoring  
Ministries  
Score: 4

Monitoring within line ministries is difficult due to the very broad scope of each ministry's competences and departmentalization. This makes planning and coordination difficult to achieve. Progress in strategic planning would benefit policy implementation and provide evaluation benchmarks. However, it seems that this is still not being done.

According to the constitution, the direction and control of the government and general policy lie with the Council of Ministers. This creates a circular relationship since each minister is the sole authority in her/his ministry. The DGEPCD, renamed to the DGC, has some monitoring functions, but scope is unclear. The Secretariat of the Council of Ministers monitors the implementation of cabinet decisions. The website EXANDAS offers ministers and citizens a picture of the progress of works and policies. However, visualization and figures are not an evaluation tool.

While the law on fiscal responsibility assigns the finance minister a central role in overseeing and coordinating budgetary and fiscal issues, the ultimate control lies with the Council of Ministers. No instance other than the cabinet has such powers.

Citation:

1. Project EXANDAS, <https://exandas.presidency.gov.cy/>

Monitoring  
Agencies,  
Bureaucracies  
Score: 3

The Council of Ministers appoints the governing bodies of quasi-governmental institutions, approves their budget and exercises budget control. The government, strengthened by a 2014 law, has greater control over these institutions and oversight over line ministries. Reports by the audit office show that some do not submit accounts for auditing on time or point to problems of management. No data is available about the effectiveness of oversight in practice or remedies to tackle favoritism.

The situation with local authorities is no better. Despite central government control, audits identify high debt levels, disrespect for rules and procedures, and functional inadequacies. No evidence of improvement exists.

Radical reforms of public law bodies and local authorities, suggested by the European Union, IMF and specially commissioned studies have been discussed for many years. The reform of local authorities was presented to the parliament in January 2022.

Citation:

1. Cyprus blocking evolved local government, Financial Mirror, 27 October 2021, <https://www.financialmirror.com/2021/10/27/cyprus-blocking-evolved-local-government/>

Task Funding  
Score: 4

Local authorities are subject to extensive central government control. They receive substantial state subsidies, amounting in some cases up to 40% of their budget. In addition, the Council of Ministers, in particular the ministers of interior and finance, have extensive powers of control and management for the finances and assets of municipalities. Reform of the municipalities bill was presented to the parliament in early 2022, following a series of inconclusive debates since 2014. Existing plans for mergers and reorganization aim to address critical challenges facing local governments by making them more efficient (including financially), improving management, fighting corruption and upgrading the quality of services.

1. Local government elections postponed until May 2024, Financial Mirror, 17 September 2021, <https://www.financialmirror.com/2021/09/17/local-government-elections-postponed-until-may-2024/al-authority/>

Constitutional  
Discretion  
Score: 4

The constitutional status of local government is vague. Placed originally under the authority of the Communal Chambers (Art. 86-111), which were abolished in 1964, local authorities are governed by the Law on Municipalities of 1985. Local authorities possess limited competences because constitutional clauses allow the central government to impose restrictions on their powers. Budgets and management decisions on a variety of financial issues and assets are subject to approval by the Council of Ministers. Additionally, the law on fiscal responsibility (20(I)/2014) imposes strict budget controls by the finance minister. In order to proceed with the reforms, which under law require local approval via referendums, the executive and the parliament suspended the 2021 elections and by-passed the law provisions for referendums.

The situation that has prevailed over the years has been one in which local authorities have not made good use of their (limited) autonomy.

Citation:

1. Municipal elections postponed, Cyprus Mail, 16 September 2021, <https://cyprus-mail.com/2021/09/16/municipal-elections-postponed/>

National  
Standards  
Score: 2

Standards and indicators at the central government level often lack consistency and universality. Reform of local government was at an advanced stage in January 2022. In order to abide by the rules and standards, the Ministry of Finance issues guidelines for each category of public institution regarding budget design and strategic planning. These guidelines set general standards and procedures, in particular on fiscal issues. The persistence of problems is an indication that proper implementation remains an issue.

Serious problems in local government have led to a process of reform since 2014. Among other issues, the auditor general pointed in his 2016 report to disregard for standards and procedures, stressing that “the situation in municipalities is not viable.”

In order to assist subnational entities, the Ministry of Finance annually reports on issues of fiscal risk facing each sector. Proposals for anticipating and addressing problems, and minimizing risks are part of them. For example, guidance is offered, among other things, on how to avoid risks related to unguaranteed loans, financial claims before the courts and excessive expenses.

Citation:

1. Ministry of Finance, Report on Fiscal Risks, September 2021, [http://mof.gov.cy/assets/modules/wnp/articles/201705/301/docs/2021\\_09\\_17\\_frs\\_2021.pdf](http://mof.gov.cy/assets/modules/wnp/articles/201705/301/docs/2021_09_17_frs_2021.pdf)

Effective  
Regulatory  
Enforcement  
Score: 3

General government policies and practices appear fair. However, a bias toward serving the interests of powerful economic groups and individuals as well as bowing to the demands of strong trade unions becomes evident when the stakes are high. Also, both the government and political parties often act on the basis of political expediency: to avoid confrontation with strong formal or informal interest groups, they resort to procrastination, adopt rules that are either ineffective, or simply avoid decision-making. The public good is, thus, not fairly served and lingering governance challenges persist.

The most notable example in recent years were policies presented in the form of an investment scheme, which in reality involved selling passports to the benefit of certain groups. This activity continued even after being officially terminated. In addition to ethical questions, risks of corruption and money laundering, this policy undermined town planning and other laws. Other decisions, under the pretext of development, are contradict the decisions of other authorities, as well as obligations to protect the environment and care for natural resources. In the financial sector, decisions and laws on foreclosures and non-performing loans are passed with amendments by parties serving strategic defaulters.

The abandonment of some reforms and the very slow pace of others are indicative of a policy bias in the government and among parties to avoid any political costs.

Citation:

1. Cyprus awaits Brussels decision on golden passports, KnewKathimerini, 8 November 2021, <https://knews.kathimerini.com.cy/en/news/cyprus-awaits-brussels-on-golden-passports>

2. Ministry defends decision to green light multi-story building in down town Nicosia, Cyprus Mail, 21 December 2021, <https://cyprus-mail.com/2021/12/21/ministry-defends-decision-to-green-light-multi-story-building-in-down-town-nicosia/>

### Adaptability

Domestic  
Adaptability  
Score: 5

Numerous studies have been conducted in the last decade, which to support reform. Some included proposals to overcome the limitations imposed by the rigid structures of the 1960 constitution, while others aimed at introducing innovative changes. There has been little progress, despite the European Union and IMF repeatedly urging for reform.

Changes brought about by EU accession, with the introduction of new institutions and practices, have not been fully productive. In addition, as a single region under the European Union's "cohesion policy," Cyprus has not benefited significantly from relevant EU policies.

Reforms suggested since 2013, including tackling governmental structures and entrenched mentalities, have shown little progress. Attempts to increase strategic planning capacity, promote administrative reforms that will change administrative practices and culture, and promote meritocracy have started to produce results.

The renewal of government efforts to reform local authorities and the judiciary in the fall of 2019 have made progress, though the results are not conclusive yet. The dissolution in 2018 of the Unit for Administrative Reform points to the need for a centralized coordinating body, which may be the DGC (formerly DGEPCD) for some issues.

Citation:

1. Another 85 million by February if Cyprus meets deadline of key reforms, KnewsKathimerini, 22 September 2021, <https://knews.kathimerini.com.cy/en/news/cyprus-must-meet-deadline-of-key-reforms-to-receive-the-next-85-million-from-the-eu>

International  
Coordination  
Score: 4

The proclaimed role of Cyprus as a bridge between three continents draws on its geographical location. However, the almost exclusive focus on and preoccupation with domestic issues has prevented initiatives to broaden the country's role. Opportunities offered through membership in the European Union, United Nations and other organizations could assist Cyprus to be a valuable contributor to both regional and global politics, benefiting public welfare. In recent years, particular focus on bi- and trilateral relations have aimed to coordinate the exploitation of hydrocarbons in the Eastern Mediterranean. More recently, cooperation with neighboring countries has focused on issues of climate change.

Existing conflicts in the region are partly fueled or affected by hydrocarbon exploration, which makes it difficult to secure a better environment for all. The Cyprus conflict occupies a central role in existing problems.

Citation:

1. Turkey slams Cyprus over exploration license for Exxon, Qatar Petroleum in Mediterranean, 2 December 2021, <https://www.reuters.com/markets/commodities/turkey-slams-cyprus-over-exploration-license-exxon-qatar-petroleum-mediterranean-2021-12-02/>

### Organizational Reform

Self-monitoring  
Score: 4

The main structures and institutions of 1960 remain largely unchanged. Reform efforts usually commence when systemic dysfunction reaches a critical level and progress moves forward at a very slow pace. This is due to the rigidity of the constitution and the absence of institutional monitoring. A centralized unit for reform, operative between 2014 and 2019, produced some results, mostly in improving procedures. The reassignment of tasks from the centralized unit for reform back to line ministries followed. Meanwhile, the absence of a coordination body makes reforms harder to implement, given that self-monitoring in line ministries is weak or absent.

Several outsourced studies and surveys have been conducted since 2012, which have identified problems and proposed reforms. However, this has not compensated for the absence of self-monitoring mechanisms.

Institutional  
Reform  
Score: 5

Efforts to improve the efficiency of the administration, stalled for years, resumed in fall 2019 and reform plans were again promoted. In addition to pursuing goals to improve the selection and promotion of personnel, and speed up procedures, four new deputy ministries have been established. The long-standing local government reform seems to be nearing adoption by the parliament.

The challenge of expanding strategic planning capacities shows some progress beyond that of the required training of professional personnel; most ministries have drafted a three-year strategic plan.

## II. Executive Accountability

### Citizens' Participatory Competence

Political  
Knowledge  
Score: 5

The main feature of citizen participation in politics and elections since 2011 has been apathy and alienation. Political discussions remain largely unproductive, primarily consisting of monologues. Turnout in 2021 elections

was 66% (down from 90% 15 years ago), while only 25% of young people registered on electoral rolls.

No opinion surveys record levels of information among citizens. However, public opinion surveys show that negative views about each of the main party leaders are between 70% and 76%, while 55% of people hold a negative view of the president (21% hold a positive view). Public trust in institutions in the spring 2021 Eurobarometer survey receded to 27% for the parliament (34% in 2019) and 31% for the government (36% in 2019).

Despite the picture of mistrust, more Cypriots (54% / 63%) than on average in the EU27 (48% / 48%) appear to be informed about and satisfied with the EU response to COVID-19, according to the special European Parliament Eurobarometer, spring 2021. This might be the result of the government's promotion of the Recovery and Resilience Plan during the campaign for the May 2021 parliamentary elections.

Citation:

1. Special European Parliament Eurobarometer 95.1, Spring 2021, <https://www.cymar.com.cy/en-gb/results/eb95-1.aspx/>

Open  
Government  
Score: 5

The Statistical Service and the Press and Information Office (PIO) systematically publish statistical data and reports, and information on the activities of the president and ministers. Ministries publish information on their work, albeit with significantly differing scope and type of information. The publication of annual activity reports by ministries and departments is often delayed by several years.

A website named EXANDAS, launched in 2019, provides access to government data, an inventory of projects and reforms, political decisions, and policies. The website provides an inventory of all actions undertaken by the government since 2013, but it is difficult to evaluate the progress made, in large part because no dates or timelines are specified with the data and information provided. The lack of comprehensive data and analysis on key policies and activities, in easy and legible forms, does not help citizens to evaluate the government's work.

Citation:

1. EXANDAS – Report for monitoring the progress of government work (in Greek), <https://exandas.presidency.gov.cy/>

### Legislative Actors' Resources

Parliamentary  
Resources  
Score: 5

The House of Representatives has substantially upgraded its resources. With the recruitment of specialized staff, parliamentary work enjoys expert support, which is not limited to administrative and secretarial services. Research provides the information needed to draft legislation, parliamentary committees comment on and evaluate government draft laws, while legal advice is available to check compliance with the constitution and existing legislation. A European affairs section deals with obligations under EU membership, and an international affairs section assists with relations to other parliaments and international bodies. Communication, technological and archival services complete the spectrum of resources available to the parliament.

The parliament has a rich library, which is open to the public and is in the process of digitizing its assets.

Citation:

1. House of Representatives, The parliament's services and their functions (in Greek), 2021, <http://www.parliament.cy/images/media/assetfile/Odigos.pdf>

Obtaining  
Documents  
Score: 4

The government and the broader public administration have no constitutional obligation to make documents available to the parliament. In practice, in almost all cases, ministers answer questions, and present information and documents to deputies and parliamentary committees. However, for critical issues, they can refuse to do so.

The Law on the Deposition of Data and Information to Parliamentary Committees grants committees the power to summon officials, but not ministers, and request official information and data. An official who attends a committee hearing is obliged to tell the truth and to provide genuine documents. Hiding information or documents may lead to sanctions.

Critically, when invited, attendance is mandatory under the law, except for ministers. There has never been a case of activating this provision against officials or private persons who have refused to appear. This points to the weakness of the law, which affects the House of Representative's ability to obtain documents; access depends on an official's willingness to attend a hearing and a minister's discretionary power to approve the release of documents. Withholding information is possible without risking sanctions.

Citation:

1. Law on the deposition of data and information to the House of Representatives and parliamentary committees 21(I)/1985 [http://www.cylaw.org/nomoi/enop/non-ind/1985\\_1\\_21/full.html](http://www.cylaw.org/nomoi/enop/non-ind/1985_1_21/full.html)

Summoning  
Ministers  
Score: 5

The constitution (Art. 79) stipulates that the president “may address” or “transmit his views” to the House of Representatives or a committee “through the ministers.” Moreover, ministers “may follow the proceedings, [...] make a statement to, or inform” the House of Representatives or a committee on issues within their sphere of responsibility. Thus, constitutionally, the parliament has no power to summon executive officials. A law passed by the parliament in 1985 makes it mandatory for officials, though not ministers, to attend. Although, generally, ministers respond positively to invitations, there have been cases where ministers and other officials have failed or declined invitation to appear themselves or be represented. No attempt has ever been made to activate the law penalizing failures to appear. Thus, since attendance ultimately lies with the discretion of the executive, ministers feel comfortable ignoring invitations when the subject is related to a contentious matter or for other reasons.

1. The Constitution of Cyprus,  
[http://www.parliament.cy/easyconsole.cfm/page/download/filename/SYNTAGMA\\_EN.pdf/foldername/articleFile/mime/pdf/](http://www.parliament.cy/easyconsole.cfm/page/download/filename/SYNTAGMA_EN.pdf/foldername/articleFile/mime/pdf/)

Summoning  
Experts  
Score: 7

Under the law, parliamentary committees have the power to summon experts. In practice, committees invite interested parties and stakeholders to present their views, but inviting independent experts or seeking their views is exceptionally rare.

Under the law, a person that attends a parliamentary committee meeting has the obligation to provide genuine data and tell the truth.

Citation:

1. Law on the Deposition of Data and Information to the House of Representatives and to Parliamentary Committees, L.21(I)/1985, [http://www.cylaw.org/nomoi/enop/non-ind/1985\\_1\\_21/full.html](http://www.cylaw.org/nomoi/enop/non-ind/1985_1_21/full.html) (in Greek)

Task Area  
Congruence  
Score: 5

In 2020–2021, the House of Representatives comprises 55 deputies, 16 committees and six ad hoc committees. There is one committee for each of the 11 ministries, while five deal with cross-ministerial matters. According to the latest available activity report of the House of Representatives, during the 2020–2021 session, committees held 550 meetings (compared to 613 in 2019). The Defense Committee held 10 and the Committee for Legal Affairs held 54 meetings.

The proper monitoring of the work of the ministries is critically hindered by three factors: the small number of deputies (56), high membership needed in most committees (nine) and very broad scope of each line-ministry’s competences. Each deputy must participate in at least three committees. Insufficient knowledge and deficient study and preparation is sometimes combined with deputies’ readiness to serve interests promoted by lobbyists.



Citation:

House of Representatives, Activity Report 2020 – 2021 (in Greek)

<http://www.parliament.cy/images/media/redirectfile/Apologismos2021-A.pdf>

Media Reporting  
Score: 5

## Media

General analyses and policy assessment are weak points for the media. Poor issue knowledge, a lack of research, political bias and task overload are the main reasons for this weakness. A lack of respect for media ethics rules and self-censorship, along with increased dependency on financial interests, negatively affect media content.

Coverage of political issues generally offers little insight. Pluralism in public service broadcasting mainly offers mainstream views. Some analysis is the work of very few opinion columnists, while experts are invited by public service television. In 2020 and 2021, issues of corruption, the COVID-19 crisis and elections prevailed in the news, with little analysis on their deeper impacts.

Often, individual columnists question government policies. The main editorial line, however, is biased and demonstrates a leniency vis-a-vis the executive, apparently founded on informal relations with the presidential palace, in exchange for appointing journalists or relatives of media owners and journalists to public office.

Highly polarizing and confrontational rhetoric dominated the 2021 parliamentary elections, with media reproducing information evidently provided by the government. The Cyprus Problem was the framing factor of the elections, with focus shifting from the problem of corrupted leadership to “benefits from disclosures for Turkey” (see source below).

The absence of a media audit body, legislation for online media and transparency of media ownership negatively affect scrutiny and the public’s capacity to properly evaluate the information they receive.

Citation:

1. Cyprus’ Spat With Al-Jazeera Takes on Geopolitical Overtones, 1 September, 2020, <https://www.imidaily.com/editors-picks/cyprus-spat-with-al-jazeera-takes-on-geopolitical-overtones/>

### Parties and Interest Associations

Intra-party  
Decision-Making  
Score: 6

The adoption of procedures to allow party members (and friends) to elect the party leadership and choose party candidates began in the 1990s. Gradually, party leaders have attempted to bypass procedures or create conditions that negate the need for grassroots members to exercise such powers.

The Democratic Rally (Δημοκρατικός Συναγερμός, DISY) formed, in mid-2020, groups to “produce policies” for the 2021 parliamentary elections. However, no platform of policies was produced for the campaign except a brief two-page text, as in 2019. The presidential candidate for 2018 was nominated by simply approving the already announced candidacy of the incumbent president. In the 2021 parliamentary elections, 10 candidates were nominated by the party chairman, while one surplus candidacy was submitted, requiring election in one constituency. Party officials have priority as candidates. Since 2018, the party leader’s powers have been broader and internal dialogue has been absent.

The Progressive Party of the Working People (Ανορθωτικό Κόμμα Εργαζομένου Λαού, AKEL) adheres to the principle of democratic centralism. Party members and friends choose candidates, with the final decision in the hands of the party leadership and managed via an opaque procedure. The party congress (1,200 cadres) elects the 105-member Central Committee (CC), which in turn elects the secretary general. AKEL’s presidential candidate is selected by party cells, based on proposals by the CC and a vote by an extraordinary congress. Electoral programs are approved by the party’s leadership.

The Democratic Party (Δημοκρατικό Κόμμα, DIKO) applies a direct vote for its leadership. However, the CC (150 members) nominates the presidential candidate, while regulations set the procedures for the nomination of candidates to other offices. The CC also approves the electoral program.

Association  
Competence  
(Employers &  
Unions)  
Score: 4

Tripartite consultations (comprising the government, employers’ associations and trade unions) are an established tradition in labor relations. The actors participate in order to promote their sectoral interests. They have no research institutes beyond study teams, with limited capacity and scope. The left-wing Pancyprian Federation of Labor (Παγκύπρια Εργατική Ομοσπονδία, ΠΕΟ) is a rare exception. Its research institute regularly produces and publishes scientific studies on the economy and labor market.

Citation:

1. Hoteliers and unions agree on terms for collective agreement, Cyprus Mail, 28 August 2019, <https://cyprus-mail.com/2019/08/28/hoteliers-and-unions-agree-on-terms-for-collective-agreement/>

Association  
Competence  
(Others)  
Score: 4

A proliferation of civil society groups is connected, among other factors, with funding opportunities from EU and other organizations. Many are subject-oriented associations, with limited capacity to formulate policy proposals.

The momentum gained in recent years by some groups active and interested in politics, the economy, and social and environmental issues has slowed down. Issues such as promoting transparency and combating corruption, electoral system reform, and protecting the rights of minority groups have received limited response. Despite media attention and quality proposals on such significant subjects, political forces choose to promote sectoral interests, mostly counting on votes. In the last two years, government officials have targeted NGOs and groups supporting migrants' rights with unsubstantiated accusations.

The activities of associations and in particular of the bicomunal civil society organizations that create spaces for dialogue between the Turkish and Greek Cypriot communities have been affected by restrictions on movement introduced to tackle COVID-19. The Church of Cyprus continues to assert its presence in society and is promoted by public service television. Its influence has not receded, despite conservative statements and actions by its leadership that do not comply with the spirit of Christianity.

Citation:

1. Bird groups say illegal shooting in Cyprus must stop, Cyprus Mail, 27 September 2019, <https://cyprus-mail.com/2019/09/27/bird-groups-so-illegal-shooting-in-cyprus-must-stop/>

### Independent Supervisory Bodies

Audit Office  
Score: 6

The auditor general is a constitutionally independent officer appointed by and reporting to the president, the highest authority in the republic. The terms of the auditor general's removal are the same as those of a Supreme Court justice. The auditor general presents an annual report to the president, who "shall cause it to be laid" before the parliament. S/he also produces a multitude of reports on specific subjects and on entities of public law. Parliamentary committees invite the auditor general to their hearings. The constitution provides that the audit office shall review "all disbursements and receipts, and audit and inspect all accounts of moneys and other assets administered, and of liabilities incurred, by or under the authority of the republic." This gives the office oversight authority over all three estates.

In 2020 and 2021, the auditor general faced a strong reaction to his work from the executive and was threatened with sanctions. Despite excessive media

exposure and actions that damage the credibility of the institution, the auditor general exerts his powers in a rather efficient way, exposing abuses of power and non-compliance with laws.

Citation:

1. Government accuses audit boss of overstepping his powers, Cyprus Mail, 30 December 2020, <https://cyprus-mail.com/2020/12/30/government-accuses-audit-boss-of-overstepping-his-powers-updated/>

Ombuds Office  
Score: 4

In the absence of any constitutional provision for an ombuds office, the Office of the Commissioner for Administration and Human Rights was established by law L. 3/1991. The ombudsman's mandate extends to equality and non-discrimination, prevention of torture, forced returns, and disabilities issues. The president of the republic appoints the commissioner upon the recommendation of the Council of Ministers, subject to approval from the parliament. The commissioner presents an annual report to the president, with comments and recommendations. Copies of the report, investigative reports and activity reports are made available to the Council of Ministers and to the parliament.

Excluded from the commissioner's oversight are the House of Representatives, the president of the republic, the Council of Ministers, individual government ministers, the courts (including the Supreme Court) and other officials.

Opinions and reports sometimes appear to accommodate the behavior of the authorities instead of insisting on the need for full respect for human rights in practice.

Citation:

1. Office of the Commissioner for Administration and Human Rights, Report for 2020 of National Mechanism for the Prevention of Torture, 2021 [http://www.ombudsman.gov.cy/ombudsman/ombudsman.nsf/All/5640AE2B1E22803EC2258784002D2F0D/\\$file/NPM%20ACTION%20REVIEW%202020.pdf](http://www.ombudsman.gov.cy/ombudsman/ombudsman.nsf/All/5640AE2B1E22803EC2258784002D2F0D/$file/NPM%20ACTION%20REVIEW%202020.pdf)

Data Protection  
Authority  
Score: 6

The Office of the Commissioner for the Protection of Personal Data was established in 2002. Law 125(I)/2018 updated the legislation in accordance with EU regulations and directives. The Council of Ministers appoints the commissioner upon the recommendation of the minister of justice and public order. The qualifications for appointment are those required for a judge of the Supreme Court, a "lawyer of high professional and moral standard." The commissioner's authority is extended to both public and private persons, except on processing operations by courts when acting in their judicial capacity. Under the Law on Access to Information, L. 184(I)/2017, the commissioner is also the commissioner for information, who is tasked with monitoring compliance with the law.

Violations of personal data by the authorities, politicians and political parties has always been an issue of concern. However, very few decide to file a complaint. In the latest available report from the commissioner (2019), there is no indication of proactive action.

Citation:

1. Commissioner for the Protection of Personal Data – Activity Report 2019, [https://www.dataprotection.gov.cy/dataprotection/dataprotection.nsf/43E41408DE96649BC225869C0045D367/\\$file/Annual%20Report%202019.pdf](https://www.dataprotection.gov.cy/dataprotection/dataprotection.nsf/43E41408DE96649BC225869C0045D367/$file/Annual%20Report%202019.pdf)

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