Investing in Cyprus

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Christodoulos E. Angastiniotis
Chairman, CIPA
Cyprus Investment Promotion Agency (CIPA)

Promote Cyprus as an attractive international investment and business centre in key priority economic sectors

Provide investor facilitation and support to new and existing investors

Advocate reforms in order to improve the regulatory and business environment and infrastructure
EU Member (2004) and Eurozone (2008)

Location: 35° N and 33° E
Area: 9,251 km²
Population: 1,100,000
Time Zone: GMT+2
Currency: Euro
Capital: Nicosia
Political System: Presidential Democratic Republic
GDP Growth (% change)

Source: Ministry of Finance, update as of 10/02/2016

** 2014 Estimate
* 2015-2018 projected forecast
Cyprus 10-Year Government Bond Yield

Source: Ministry of Finance; updated: 22/01/2016
Cyprus: Recovery Facts

- Return to growth in **1Q 2015 (0.2%) and 2Q 2015 (1.2%)**
- Nine assessments by Troika confirmed that the program is “on track”
- Cyprus returned to international financial markets in record time
- Banks have been recapitalized through foreign investors and EBRD
- International credit rating agencies revised the Cyprus economy’s outlook from stable to positive
- As of April 2015 all domestic capital controls have been lifted
- Banking sector highly strengthened and better credit conditions
- Cyprus to participate in ECB Quantitative Easing (QE) programme

Source: Eurostat (update: 22/01/2016)
Economic Sentiment Indicator (ESI)

Source: Eurostat  update: 10/02/2016
Cyprus: FDI Examples

• The Banking sector has received one of the biggest ever foreign investment

• Tourism sector has witnessed a number of investments in the hotel industry

• New 600 berth Marina Project will be funded through foreign investor

• The Funds under management in Cyprus have more than doubled in the last three years

• Renewable energy is looking to welcome FDI in at least 2 important projects that qualified in the (NER 300) by EU Commission

• Hydrocarbon has attracted global leaders such Noble Energy, Eni, Total, Kogas, Schlumberger and Halliburton
Cyprus: Legal System

• Based on the English Common Law Principles
  • Transparent
• Fully harmonized with international standards
• Application of EU Directives
Cyprus: Attractive Tax System

**Exempt from tax:**
- Dividend income
- Profits from overseas permanent establishments
- Profits from the sale of securities

**No withholding tax on:**
- Dividends
- Interest
- Royalties paid from Cyprus

- Intellectual Property (IP) tax regime
- Double Tax Treaties with 59 countries
Cyprus: Human Talent

- Highest tertiary education percentage within the EU
- International business experience
  - Highly qualified
  - Specialized service offering
  - Multilingual workforce
Cyprus: Quality of Life

Quality of air & sea – Ranked 1st in cleanest waters in the EU


Excellent educational institutions

Multicultural

Millennia of culture, history and art

Hospitality

Fabulous weather

Gastronomy
Cyprus: Focus Sectors

Shipping
Professional Services
Banking & Financial Services
Investment Funds
Tourism
Real Estate
Research, Development & Innovation
ICT
Energy – Hydrocarbons & RES
Cyprus: Health & Wellness Tourism

- Extended network of high standard medical facilities
- Internationally educated and experienced physicians
  - Well-recognized tourism destination
    - Mild Mediterranean climate
      - Rehabilitation Centers
      - Luxury Resorts & Spas
      - Medical Centers
International Shipping Center

• The **ONLY EU** approved tonnage tax regime with benefits for ship-owning, ship-management and crew management

• **Largest** Ship Management Centre in EU

• **2nd** largest Ship Management Centre globally

• **3rd** largest merchant fleet in EU

• **10th** largest fleet worldwide

More than 1,022 registered vessels with 21 million gross tonnage are registered under the Cyprus flag

More than 140 ship owning and ship management related companies are operating from Cyprus
Cyprus: Privatization of State owned Enterprises

- Ports Authority
- Telecommunications Authority
Timing is everything.
Thank You!

Cyprus Investment Promotion Agency

Tel: +357-22-441133
info@investcyprus.org.cy
www.investcyprus.org.cy