



CYPRUS: THE INTERNATIONAL BUSINESS CENTRE



Cyprus is situated in the eastern corner of the Mediterranean Sea, lying at the hub of Europe, Africa and Asia and close to the busy shipping and air routes linking Europe with the Arab world and the Far East. Its strategic position has played a major role in the development of the island as a centre for international business.

Cyprus is a member of the United Nations, the Commonwealth, and as of May 2004, **a full member of the European Union.**

Climate

Mediterranean, with mild, wet winters (daily minimum 5°C, 41°F) and hot, dry summers (daily maximum 36°C, 97°F).

Main cities



Nicosia (the capital), Limassol, Larnaca & Pafos.

Population:

784,300 (2006 estimate)

77% Greek Cypriots – 18% Turkish Cypriots – 5% Others

Languages

Greek is the official language. English is widely spoken.

Government



Executive Power – Presidential system of government. The President is elected by universal suffrage for a five-year term. Executive power is exercised through an 11-member Council of Ministers appointed by the President.

Currency

As of 1/1/2008 Cyprus has adopted the Euro. The conversion between the previous currency, the Cyprus Pound, and the Euro is €1 = £0,585274.



Economy:



Since gaining its independence in 1960, Cyprus has enjoyed considerable economic growth and success. This can be largely attributed to the sound macro-economic policies of successive governments, the adoption of a market-oriented economic system, and a well-educated, dynamic and flexible entrepreneurial workforce. The result is a thriving and stable economy, with high growth rate, low inflation and low unemployment. European Union membership also marked the liberalization of the electricity supply, telecommunications and transports sectors.

The standard of living is among the highest in the EU and the performance of the economy compares favorably with that of most European Union member states. A number of factors contribute to that, such as modern housing and telecommunication systems, low pollution and crime rates, a friendly and lively social scene, the enviable climate, low inflation and almost full employment.

Tax Rate



Cyprus also offers a number of tax advantages. A 2003 tax reform was introduced to bring the island in line with EU and OECD requirements, but also to ensure that Cyprus remains competitive as an international business centre and attractive to investors. For example, the uniform corporate tax rate of 10%, is the lowest in the EU while Cyprus has entered into Double Tax agreements with 41 countries. Furthermore, Cyprus' Intellectual Property laws are in line with the EU *acquis communautaire* and international IP rights.

Transportation – Logistics



Due to its advanced telecommunications network and the superb regional and global connectivity on offer, the island is considered as one of the most important telecommunication hubs in the Eastern Mediterranean and the Middle East region.

The local infrastructure is ideally suited for business people who need to get things done. Thanks to its modern road network, extensive port facilities and two international airports, travel and transport in and beyond Cyprus is fast, efficient and economical.



The two international airports of Larnaca and Pafos handle more than 39 international airlines operating 400 weekly schedule flights to and from most European, Middle East, Gulf and North African cities. There are also a large number of chartered and freight flights. Larnaca is the larger of the two airports, while the construction of all-new facilities terminal buildings have begun at both locations.

The multi-purpose ports of Limassol and Larnaca are the country's main sea gateways for seaborne cargo and passenger traffic. Both ports have turned into important regional warehouse and distribution centers.

Services



The country offers a comprehensive range of integrated professional services, able to assist in any field of enterprise including the areas of Accounting, Banking & Financial Services, Business Consulting, Computing & IT, Design, Education, Engineering, Legal Services, Marine & Shipping, Private Healthcare, Risk Management, Sales & Marketing, Tourism, Travel & Conferences. Furthermore, considerable investment has been made into transforming the island into a major telecommunications hub in the region by building a technologically advanced infrastructure, both in terms of cable and satellite.

Foreign Investment & Administrative Procedures



Foreign investors can now participate in most sectors of the economy with equity participation of up to 100%, without a minimum level of capital investment. Consequently, foreign companies now have the opportunity of investing and establishing business in Cyprus on equal terms with local investors.

Administrative procedures have been simplified and measures have been taken to streamline the infrastructure regarding foreign investment, thus reducing the level of bureaucratic intervention and fostering improved economic activity.

A significant number of international companies are already operating in Cyprus, further enhancing the productive and positive nature of the national economy. All these, coupled with the high standard of living and the countless other lifestyle advantages on offer, make Cyprus the perfect place for today's investor and business people.

Economy & Trade



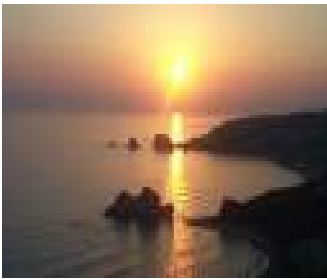
- Close proximity to the busy trade routes linking Europe with the Middle East, Russia, Central Asia and the Far East.
- Major tourist destination, a services center and telecommunications node.
- Trade has always been one of the main sectors of the Cyprus Economy.
- Cyprus has intensified its relations with the EU, its largest trading partner gaining access to a huge single market.
- Attract investment from EU thus accelerating the transformation of Cyprus into a regional business center.
- New age of globalization and world economic situation.

Tourism



Tourism occupies a dominant position in the economy of Cyprus as it contributes close to 2 billion Euros in foreign exchange annually and about 13% of the island's Gross Domestic Product. Total employment in tourism business is estimated at 113,000 jobs (29.7% of total employment).

The island's bed capacity is about 96,000 licensed beds in all categories of accommodation. Cyprus hosts more than 2,5 million tourists every year. Europe contributes approximately 90% of tourist arrivals while various other countries account for the remaining tourists such as U.S.A., Canada, Israel and neighbouring Arab countries, Japan and other Asian and Far East countries.



What attracts the holiday-maker to Cyprus, in addition to plenty of sun, sand and sea, is the hospitality and friendship of its people, most of whom speak English. Another attraction is that there is such a variety of things to do in Cyprus. Apart from the swimming, wind-surfing, scuba diving, skiing the holiday-maker can drive up to pine forested mountains along the southern vineyards and indulge in a glance at history by inspecting archaeological excavations which have laid bare ancient settlements, rich burial sites, beautiful mosaics and pottery. Cyprus' history goes back to the 7th Millennium BC. Ancient cities, Greco-roman theatres and sanctuaries, Aphrodite's birth place and Bath are all within short drives.



One particularly interesting factor in tourist statistics is that a significant number of holidaymakers who come to Cyprus are "repeat visitors" - the best award a tourist could perhaps give a holiday destination.



A place to be!