

# Executive Committee Report 2020

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Cyprus International Businesses Association  
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Dear Members,

This year has compared to no other year. A unique pandemic has impacted the world and has revised all that we consider constant both in business and in our personal lives. The COVID-19 pandemic continues to influence our lives and in changing the world has also caused the association to adjust.

### **COVID-19**

COVID-19 created new challenges for our member companies and the association.

At an initial stage, the lockdown decision created the need for a constant information flow for our members. This related to the medical protocols and decrees that were issued by the Ministry of Health and thereafter to the various support schemes announced by both the EU and the Cyprus Government to support businesses throughout the lockdown. CIBA was there to support its members as well as the international community overall through up-to-date and accurate information in English that guided our companies.

Operationally, companies had to switch working modes and adjust internal systems to function remotely. Our members faced travel-related issues whether traveling for business, being repatriated to Cyprus, or having to remain in a foreign country until the lockdown was lifted. Here, CIBA played a key role in:

- Providing information to Members on the required travel processes
- Supporting members and their families by guiding them on what was required and liaising with government authorities to assist on a case-by-case basis.

Overall, we have been working with the Ministries of Finance, Interior, Commerce, Labour and Social Insurance and the Ministries of Foreign Affairs and Transport, and the Deputy Ministries of Shipping, Research, Innovation and Digital Policy, as well as Tourism. In dealing with member company issues we have also liaised with the Department of Civil Aviation, the Civil Registry and Migration Department and the Ministry of Health.

With the situation still fluid, CIBA is concentrating on providing information to our members as soon as it is formally released by state sources and supporting members on custom queries as we have done throughout the pandemic.

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## **What have we been advocating on?**

As highlighted by the President of our Association, CIBA has been active on targeted issues that affect international companies.

### **1. ON BREXIT –**

In preparation for BREXIT and in cooperation with the Cyprus Chamber of Commerce and Industry, the association submitted its position on the challenges posed for Cyprus in preparation for BREXIT. At the same time, CIBA has been in constant contact with the British High Commission sharing news on developments and over time informing members on focused events in preparation for this.

### **2. On the Double-Tax treaty with Russia –**

The association submitted its position on the Double-Tax treaty and proposals for its formulation to the Ministry of Finance and the Ministry of Foreign Affairs. CIBA discussed on this treaty with the Russian Businessmen’s Association, ICPAC and the Cyprus Chamber of Commerce and Industry to share its views on the importance on the treaty and the clauses that could be contained therein.

### **3. On the Implementation of EU Directive on cross-border transactions DAC-6 –**

The association has been part of the formulation of the latest legislation on the Directive for Administrative Cooperation known as DAC-6. CIBA has already taken part in meetings with both the President of the Parliament’s Finance Committee and the members thereof, the Ministry of Finance Team, the Deputy Minister for Shipping, representatives of ICPAC, CYFA and the Cyprus Shipping Chamber. These have been carried out in close cooperation with Mr. Pantelis Christofides Head of Regulatory at L Papaphilippou & Co LLC whom we would like to thank for his support.

The association will continue to be in discussions with both the members of the parliament and the Ministry of Finance on this important legislation.

### **4. On the Reformation of Government procedures and departments**

The operational issues faced by international companies when dealing with various government departments are fed through to the association. In promoting a more efficient modus-operandi, CIBA has forwarded suggestions for the better operation of the Fast-Track Business Mechanism that was launched this year to the Ministry of Commerce after receiving member-company feedback. It will continue to advocate on behalf of its members on the need for efficient and fast processes across the Civil Service and especially the Civil Registration and Migration Department.

### **5. On Government Migration Policy, and Proposals for Improvement**

In today’s environment, external investment is crucial in the eventual restart of the Cyprus Economy. Furthermore, we know the effect that a well-designed Migration policy geared to facilitating employment in industries which will add value to the Cyprus Economy can have on those companies wishing to relocate staff and headquarter on the island. Here, the association’s Executive Committee

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welcomes ideas and thoughts on ways to improve the system which we can then pursue with the relevant government authorities and political parties.

### **How has the Association's service to members adapted throughout COVID-19 in 2020?**

Last Year, saw CIBA introduce the Corporate Benefits section with a focus on Education, Entertainment & Leisure, and Insurance. In 2020, the association has continued its cooperation with CIIM and EIMF, and further enriched the offering with the addition of MNK Risk Consultants.

Moreover, CIBA has cooperated with CRC Consultants offering Training opportunities to CIBA member companies starting with Training on Business Process Management and building on this with Building a Model of Intra-corporate Entrepreneurship termed as Intrapreneurship, selecting programs that are funded 100% by HRDA.

CIBA's cooperation has seen the association support webinars with C.I.I.M. on **Intrapreneurship as a permanent solution to crisis**, on **Rekindling the customer relationship**, **Looking at the Global & Local Economic trends**, and looking at the recent **Tax developments on Permanent Establishments**. The Final event with C.I.I.M. will be centering on the EU's **Foreign Direct Investment Directive** and its impact.

CIBA has also cooperated on Webinars with Qube Events on **Crisis Management in Payments**, **Fintech- the next frontier** and on **what is moving the FX Markets**...at the same time obtaining preferred rates for members companies.

In keeping with the prevailing issues, the webinar with GrantXpert delved into **the EU funding process**... a subject which is very pertinent to companies in these challenging times. In the same manner, the latest seminar with Baker Tilly on Corporate Restructuring discussed both issues of restructuring and Examinership... a concept that helps protect companies until they review and restructure their operations.

Bringing members close to key government stakeholders is a key objective of the association. The Webinar Events with the Deputy Minister for Research, Innovation and Digital Policy Mr. Kyriacos Kokkinos on the **Digital Transformation of the Government Sector** and with Mr. George Campanellas of Invest Cyprus on **"Cyprus Covid-19 response plan: the day after"** worked in this direction.

We were also happy to take part in World Trade Center's "Promising Cities for International Business: Limassol) as well as Limassol Municipality's "Intercultural Twinning: Cultural Diversity for Inclusive growth".

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Unfortunately, we had to cancel our Event on GDPR with the Commissioner for Data Protection. This will be hopefully materializing in 2021.

The Association has been able to offer additional benefits to member companies through free passes for Reflect Cyprus, vouchers from TGI Fridays and Hotel Stays with Louis Hotels as an additional bonus.

Our events schedule for the year will finish with the last training in the series with CRC Charakis - on INTRACORPORATE ENTREPRENEURSHIP (INTRAPRENEURSHIP) followed by our event with C.I.I.M on EU foreign direct investments Directive (FDI) which looks at the impact of the legislation on:

- Takeovers and M&A transactions
- Ownership due diligence for purposes of foreign investment control

In aiming to further upgrade the presence of the Association, CIBA is working on the first edition of the Cyprus Business Journal. It is currently under work and members will be updated on its release. The Association would also like to remind member companies that if they want to advertise within the magazine there is still some time.

The Association is also working on upgrading its social media presence with online newsletters, an upgraded website and will be reaching out to member companies to receive input.

### **So, What should members look forward to in in 2021?**

CIBA will continue to work closely with its member companies supporting them on issues where help is required and continuing to update members on COVID-19 which we hope to be over by next year.

The Association will be continuing its drive to discuss, and influence issues and hopes to bring additional valuable insights through interviews with key government stakeholders either through physical or web-based events.

CIBA is constantly monitoring developments with regards to the EU legislation implementation that is affecting our way-of-work and will aim to provide event opportunities to learn about and discuss such developments and their impact.

The association looks forward to providing high-value Events and Training Seminars and to your participation in these.

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**What we would ask for from our members in 2021?**

CIBA has a crucial role to play as the voice of the International business community in Cyprus. The Executive Committee will continue to look forward to our members support in terms of engagement within the association, and continuous feedback so that we raise issues where required.

We thank you again for your support which gives us strength.

