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## 1. Cyprus Problem

On June 4, Turkish Cypriot leader Mustafa Akinci and Greek Cypriot leader Nicos Anastasiades attended a working dinner with United Nations Secretary-General António Guterres in New York. Guterres had invited the two leaders to New York to discuss the current state of the UN-facilitated peace talks and the way forward. The two sides had failed to agree on how to move ahead with the new international Conference on Cyprus in May.

According to a statement issued by the UN following the meeting, the two leaders and the UN Secretary-General agreed on the need to reconvene the Conference on Cyprus in June. This was keeping in line with the 12 January statement, which stipulated for a new Conference on Cyprus to reconvene on a political level with the participation of the Guarantors (United Kingdom, Greece and Turkey) after discussions were made on a technical level. The two leaders also agreed to continue in parallel the bi-communal negotiations in Geneva on all other outstanding issues, namely territory, property, governance and power-sharing and that the chapter on security and guarantees continued to be of vital importance to the two communities. In the statement progress in this chapter was an essential element in reaching an overall agreement and in building trust between the two communities in relation to their future security. They also agreed that all issues will be negotiated interdependently and that nothing is agreed until everything is agreed, as per the

joint declaration of 11 February 2014. The Special Adviser of the Secretary-General, Mr. Espen Barth Eide, was tasked to engage with all participants in the preparation of a common document to guide the discussions on security and guarantees, based on the outcome of the meetings of the conference on Cyprus in Geneva and Mont Pelerin. On June 16, Espen Barth Eide announced that the Conference on Cyprus will be held in Crans-Montana, Switzerland, on June 28.

On June 20, the common document aimed at guiding the talks on security and guarantees was delivered to the Greek Cypriot and Turkish Cypriot negotiators Andreas Mavroyiannis and Ozdil Nami respectively. The nine-page document included what had been recorded at the meetings of technocrats, the positions of each side, as well as the proposal of the UN mainly with regards to the discussion of the chapter of security and guarantees. It was divided into four parts — constitutional security, external and internal security, and implementation of the deal. Furthermore, it included a proposal for a “Treaty of Implementation” to govern post solution arrangements. The Greek Cypriot team submitted a list of proposed amendments as it disagreed with the content of the common document.

On the sidelines of the European Council summit in Brussels, Anastasiades held separate meetings on June 22 with French President Emmanuel Macron and German Chancellor Angela Merkel. Ahead of the crucial conference

on Cyprus in Crans-Montana, both Macron and Merkel conveyed to Anastasiades that they share Nicosia's position that "in the year 2017, we cannot be talking about guarantees by third countries, or occupation troops staying in an EU-member state". Anastasiades also met with British Prime Minister Theresa May on June 23 and Greek Prime Minister Alexis Tsipras.

On June 26, Anastasiades rejected the draft document prepared by Eide on the grounds that it did not fulfil what was agreed in New York on June 4. In addition, Anastasiades stated that he did not consider it binding and that any reliance on, or reference to the said document "is unacceptable". The Greek side also sent its observations to the UN with regards to the content of the document while Turkey's deputy Prime Minister Tugrul Turkes stated that the conference is being forced on the parties by the UN. As a result, on June 27 Eide stated that the envisioned common document would not be presented at the negotiations as it had been rejected by more than one party. Moreover, Eide confirmed that negotiations at Crans-Montana would take place at two separate tables', one dealing with the issue of security and guarantees, which involves the guarantor countries, and the other tackling bi-communal issues like governance and power-sharing. The UN envoy stressed that the processes will be separate but interdependent.

With both sides appearing uncompromising the Greek Cypriots and Greece seeking the abolition of the system of Security and Guarantees and

the Turkish Cypriots and Turkey seeking their maintenance, the International Conference on Cyprus resumed on June 28. The kick-off meeting took place in the presence of the two leaders, Nicos Anastasiades and Mustafa Akinci, United Nations Undersecretary-General for political affairs Jeffrey Feltman, UN Special Adviser Espen Barth Eide, the Foreign Ministers of Greece and Turkey Nicos Kotzias and Mevlut Cavusoglu, while the British delegation was led by Jonathan Allan. According to reports Greek Foreign minister Nicos Kotzias tabled a proposal for the abolition of the Treaty of Guarantee and of intervention rights, proposing a monitoring and agreement implementation mechanism to be put in place. Turkish Foreign Minister Mevlut Cavusoglu also tabled a four-point proposal which according to reports stated that Ankara was prepared to withdraw a large number of troops and reduce them further within an agreed timeframe. UN Undersecretary Jeffrey Feltman posed three questions to the sides to determine the discussion on Securities and Guarantees. These included: how the two sides see the day after a solution, how the concerns of both Greek Cypriots and Turkish Cypriots on the issue of security will be addressed, and how would its implementation be monitored. On June 29 the two sides responded in writing to the questions given by Feltman while negotiations kicked off on the internal aspects of the Cyprus problem. Meanwhile Turkish Foreign Minister stated that "Greek Cypriots should forget about the scrapping of foreign guarantees of full withdrawal of Turkish troops...This is

a dream they should awake from,” Cavusoglu told the Turkish press. The remarks came a day before UN Secretary-General (UNSCG) António Guterres was set to join the conference, sparking speculation that Ankara’s top diplomat aimed to force a ‘mini crisis’ ahead of Guterres’s arrival and to position the process on a different track.

The arrival of Guterres on June 30 generated momentum during the proceedings following the minor crisis caused by Cavusoglu’s remarks. A working dinner held for the heads of the participating parties attending the Conference concentrated on the progress that would be required on securities and withdrawal of troops, implementation and securing the implementation of a solution. On the internal aspects of the Cyprus problem discussed at Table 2, Guterres called on the two leaders to concentrate on achieving further progress and convergences. Guterres delivered a framework paper to all parties. According to Eide, essential elements of a package that may lead to a comprehensive settlement of the Cyprus problem had emerged from the working dinner which was described as positive and results oriented. All sides expressed their satisfaction with the presence of Guterres at the talks.

Key points of the framework paper Guterres gave the parties in Crans-Montana on June 30 included:

On the issue of security:

The need for a new security system ending the right to intervention and the Treaty of Guarant-

tee, which should be replaced by a new system in which all Cypriots would feel safe. A fast implementation mechanism, which included external features such as the United Nations, and multilateral and international aspects.

On the issue of troops:

A rapid reduction from the first day, gradually decreasing within an agreed timetable to numbers that would be in line with the old Treaty of Alliance (950 Greek soldiers - 650 Turkish soldiers). According to Guterres’ framework there was disagreement between the parties as to whether there will be a termination (sunset clause) opted by the Greek Cypriot side or review clause supported by the Turkish side. Guterres argued that the issue needs to be examined at the highest level (of prime ministers). Furthermore, he noted that further discussion was needed on the details of withdrawal.

On the issue of Territory:

Guterres’ document stated that the Turkish Cypriot side needs to adjust the map to address some concerns of the Greek side in relation to specific areas. No specific areas were named, but it was believed to concern the return of Morphou.

On the issue of Property:

According to the framework in areas that will be returned to Greek Cypriot administration there must be agreed criteria so the rightful owner will have preferential treatment but not

100%. In areas that would remain under Turkish Cypriot administration preferential treatment should be given to current users, but not 100%.

On the issue of equal Treatment:

Turkish nationals should have a quota that is equitable and further discussion was needed on what 'equitable' means.

On the issue of Power Sharing:

According to the framework, power sharing needs to be discussed further in connection with the request of one side. Other elements, such as the rotating presidency, are issues that need to be discussed as requested by the Turkish Cypriot side on a 2:1 ratio.

In the north, the ruling National Unity Party (UBP) - Democratic Party (DP) coalition continued to grant Turkish Cypriot citizenships in a non-stop manner in June too. The Cyprus Weekly quoted Sila Usar Incirli, head of the Doctors' Union saying that there are long queues at the Nicosia public hospital formed by those seeking a health report for TRNC<sup>1</sup> citizen-

ship applications. "The hospital is congested," said Incirli on a TV programme. "Civil servants have to work overtime and doctors have to examine a much higher number of people during working hours in order to keep up," she added. Deputy Prime Minister Serdar Denktas had recently stated that a total of 7.200 people were granted Turkish Cypriot citizenships since they came to power in April 2016 and added they would grant another 27.000 without hesitation. Akinci criticized the increased number of TRNC citizenships that have recently been granted by the government. Commenting on the same issue, Anastasiades said that they had agreed on the number of the citizens of a United Cyprus but that the regime in the north has since granted new citizenships "which overthrows what has been agreed".

In the run up to the Conference on Cyprus, the five religious leaders of Cyprus working together for human rights and peace since 2011 within the framework of the Religious Track of the Cyprus Peace Process, said "we are praying for the successful outcome that will ensure the end of the unacceptable status quo and entail the respect of human rights and fundamental freedoms as well as each other's distinct identity and integrity." According to the statement, the Greek Cypriot Archbishop Chrysostomos II, the Mufti (Head of the Religious Affairs Department) Talip Atalay, Archbishops of the Maronite and Armenian Churches, Youssef Souief and

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<sup>1</sup> The Turkish Republic of Northern Cyprus (TRNC) is only recognised by the Republic of Turkey. While for Turkey and the Turkish Cypriots, Mustafa Akinci serves as President of the TRNC, the international community considers him the communal leader of the Turkish Cypriots. As the government of the Republic of Cyprus remains internationally recognised as the government of the whole of the island, the entire island is now considered to be a member of the European Union. However, the *acquis communautaire* is suspended in northern Cyprus

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pending a political settlement to the Cyprus problem (see Protocol no. 10 of the Accession Treaty).

Khoren Doghramadjian, and the Reverend Father Jerzy Kraj, head of the Latin Catholic Church of Cyprus and the Apostolic Delegation said "Everyone has a historic responsibility to ensure that the political conflict is resolved and the island is reunited."

On 27 June on the occasion of the Eid al-Fitr, a special pilgrimage to Hala Sultan Tekke in Larnaca, organised and led by the Mufti of Cyprus (i.e. Turkish Cypriot Head of the Religious Affairs Department), took place for 900 faithful of Turkish origin that cannot otherwise cross the buffer zone. The head of the Church of Cyprus through his representative sent greetings of peace and love to the Mufti of Cyprus. He was joined by Father Jerzy Kraj, Latin Patriarchal Vicar and Representative of the Apostolic Nunciature in Cyprus. Both clerics extended their best wishes to all Muslims living in Cyprus on the occasion of the feast of Ramadan. "We pray for a Cyprus where Christians and Muslims can once again know each other's traditions and feasts and celebrate them together like they used to" said Father Ioannis Ioannou at the end of the prayer service. The Mufti and the pilgrims present warmly received the Christian religious leaders and the Office of RTCYPP who came to express their best wishes. "Today is one of the fruits of the religious leaders' dialogue and cooperation for which we are both committed to and most grateful for," said Talip Atalay. "Before we initiated the RTCYPP the religious leaders of Cyprus had not met for decades, nor did they know each other, now they tell each other that they are brothers and stand up for each other," said Salpy Eskidjian, Executive Coordinator

of the Office of RTCYPP who serves as the main facilitator of the religious leaders' dialogue in Cyprus.

The restored Church of Ayia Marina, located in the village of Gurpinar (Ayia Marina), was handed over on June 1 to the Maronite Church, almost a year after the bi-communal Technical Committee on Cultural Heritage started conservation works on the site. Former village residents and members of the Church Committee, ambassadors from EU member states, representatives of the UN and the EU among others attended the ceremony in the 14<sup>th</sup> century church.

The TRNC Immovable Property Commission (IPC) has announced that 1.000 of the 6.323 applications to the commission over the past 11 years have been settled. Of the 1.000 cases that have been concluded, 815 were settled through compensation. A total of 16 thousand donums of land has become Turkish Cypriot land through compensation at a cost of 235 million British Pounds; 55 million of that figure has yet to be paid out. However, the amount of money allocated in the TRNC budget for the commission was only 75 million Turkish Liras (16.3 million pounds). According to the IPC members the total area of Greek Cypriot land within the TRNC's boundaries, with the exception of public land, is 1.4 million donums while the area owned by Turkish Cypriots in the south is 450 thousand donums. The IPC was set up in 2005 in accordance with the rulings of the European Court of Human Rights in the case of Xenides-

Arestis vs. Turkey, to establish an effective domestic remedy for claims relating to Greek Cypriot properties in the northern part of the island.

## 2. Hydrocarbons

On June 15, the fourth Trilateral Summit held between Cyprus, Greece and Israel held in Thessaloniki. The three leaders, Greek Prime Minister Alexis Tsipras, Cypriot President Nicos Anastasiades and Israeli Prime Minister Benjamin Netanyahu announced their intention to speed up plans for the development of a pipeline channelling gas to Europe from newly discovered east Mediterranean reserves. European governments and Israel agreed in April to explore the possibility of a Mediterranean pipeline project to carry natural gas from Israel to Europe, setting a target date of 2025 for completion. The planned 2,000-km East Med Pipeline aims to link gas fields off the coasts of Israel and Cyprus with Greece and possibly Italy, at a cost of up to €6 billion. The three leaders said they would also pursue the development of an electricity cable linking their countries. The EuroAsia Interconnector will carry electricity generated in Israel and sent via Cyprus, the Greek island of Crete and mainland Greece to European grids. It has secured funding of €1.5 billion from the EU and viability studies have been completed. Co-operation between the three countries in other areas such as economy, science, education as well as the Cyprus issue

were also on the agenda, and possible telecommunications integration. The three leaders then signed the Thessaloniki Declaration in which they committed to further cooperation in all spheres. Anastasiades reiterated that the trilateral cooperation did not exclude any other state in the region.

Turkey's Energy and Natural Resources Minister Berat Albayrak announced that his country would commence its first drilling for natural resources in the Mediterranean before the end of the year. Albayrak and his TRNC counterpart Sunat Atun visited the Barbaros vessel that is carrying out seismic research activities off the coast of Cyprus. Explaining that the vessel had completed two thirds of its research activities off the coast of Famagusta, Albayrak said that they foresee that as of the end of the month all research activities in the area will be completed. "The Turkish Petroleum Corporation ... will conduct all sorts of activities in our territorial waters including drilling for natural resources on behalf of our two countries with the aim of safeguarding our interests" Atun tweeted after the visit. Pointing out that the Greek Cypriot side was carrying out irreversible moves by conducting exploration and exercises as well as unilaterally signing drilling agreements, Atun added "therefore, instead of watching the Greek Cypriot side unilaterally exploit the island's natural resources on which we have equal rights over, with determination we have decided to follow a more proactive path.



### 3. Greek Cypriots

#### Economic Developments

According to a statement issued on the CBC website on June 15, non-performing loans in the Cypriot banking system fell by a mere €30.6m in February to well above €23.8bn in a month, mainly on increased compliance by households. Since the introduction of the current definition of non-performing loans in December 2014 to February 2017, total non-performing loans dropped by €3.5bn

On June 23, the Central Bank of Cyprus revised its 2017 economic growth forecast to 3.1% in 2017 from a 2.8% growth rate in December, which slightly more optimistic than the finance ministry's forecast. According to its June economic bulletin the CBC expects the Cypriot economy, which grew 2.8% in 2016, to grow at a 3.2% pace over 2018 and 2019. The Ministry of Finance forecast in April expected that the economy to grow 2.9% in 2017 and 2018 and 2.7% in 2019

The contract for Cyprus' first integrated casino resort, the only one of its kind in Europe, was signed on June 26 in Nicosia between the gaming authority and the Melco Hard Rock consortium and is designed to provide for an investment of €500m, attract an extra 300,000 tourists a year, and to add 4,000 jobs. The contract was signed at the Filoxenia Conference Centre between the president of the National Gaming Authority and Andy Choy, chief gaming

officer, of the consortium of Melco International Development Ltd, Seminole HR Holdings LLC (Melco Hard Rock) and CNS Group (Cyprus Phassouri Zakaki Ltd). Energy, Commerce and Tourism Minister Yiorkos Lakkotrypīs, who addressed the event, touted the fact that the Limassol complex would be the only integrated casino resort in Europe, which will be based in Limassol, and will include four satellite casinos in Nicosia, Larnaca, Famagusta and Paphos. The main resort will also be the largest casino in Europe, the minister said with 136 gaming tables, 1.200 gaming machines, a luxury hotel with 500 rooms with the capacity for expansion, a conference hall spanning 6.000 square metres that can accommodate audiences of 1.500, and a wellness centre covering 4.000 square metres.

#### Domestic Developments

Following a National Council meeting held on June 19, all party leaders accepted the Presidents invitation to accompany him to the international Conference on Cyprus in Crans Montana. On June 20, the parties of the so-called centre called for the abolition of the Treaty of Guarantees and the withdrawal of all foreign troops from Cyprus before a settlement agreement is implemented in a bid to secure the island's national interests and those of the Greek Cypriot community. Presenting the proposal on security and guarantees, jointly drafted by DIKO, EDEK, and Solidarity Movement, DIKO leader and presidential candidate Nicolas Papadopoulos stressed that decades of experience showed that Turkey was unreliable.



According to the proposal drafted by the three hard-line parties during implementation, the only forces on the island should be the joint Cypriot armed forces, assisted by a contingent under the aegis of the United Nations or the Council of Europe. No troops from the guarantor powers should take part. Main opposition AKEL questioned whether the announcement of the proposal aimed at helping the upcoming talks in Switzerland or serving election purposes. The party also questioned the suggestion of maintaining a Cypriot army, which went against the long-standing Greek Cypriot position of full demilitarization.

After receiving the common document on Security and Guarantees by UN representative Eide, Greek Cypriot chief negotiator Andreas Mavroyiannis was tasked with briefing the Cypriot party leaders with its content. EDEK leader Marinos Sizopoulos stated that the document contained “very negative elements” while Solidarity Movement leader Eleni Theocharous called the document a “façade for Turkish positions”. Giorgos Perdakis of the Green Party called for the removal of Eide’s proposal for an “implementation treaty” on the grounds that “If this proposal were to be accepted, the three guarantors’ role would be preserved, the Republic of Cyprus would be dissolved prior to the solution”. Commenting on the document DISY leader Averof Neophytou stressed that there were positive and negatives in the draft and that some of the content did not align with the positions of the government.

On June 15, AKEL and businessman Mike Spanos failed to reach an agreement on a document of principles leaving the party still in search for a presidential candidate for 2018. AKEL had sought to commit Spanos to an agreed ‘document of principles’ before putting his name down for discussion by party grassroots members. It followed an interview Spanos gave to a private television station in which he said he was in favour of a free market and less state involvement in financial matters. He had also described political parties as “malignant [cancer] cells”. One option for candidacy heard was former health minister Stavros Malas whom the party backed in 2013. Reports also said that former finance minister Kikis Kazamias was also approached, but his answer was still negative. There were also the names of MEP Takis Hadjigeorgiou, and that of the reunification talks negotiator Andreas Mavroyiannis. AKEL leader Andros Kyprianou reiterated that the party’s priority would be finding a candidate who could win the election and rid the country of the Anastasiades administration. Kyprianou also held a meeting on June 26 with Citizens Alliance leader Giorgos Lillikas in an attempt to explore avenues of potential cooperation. Both men agreed to meet again after the Conference on Cyprus.

### **Labour Relations and Trade Unions**

The three systemic banks in Cyprus proceed to the hiring of specialized personnel while continuing with their voluntary redundancy plans.

In the public sector 1.575 promotion positions that were frozen during the crisis years are now opening again.

Strict fines beginning with 3.500€ are included in the new legislation aiming to combat undeclared work. Every undeclared worker caught will be considered to have been working for at least six months unless the employer can prove that it was not so, and the fine for the employer will increase by 500€ per month per employee with the top limit being 10.000€ for those employing up to ten persons.

The Employers and Industrialists Federation (OEB) and Cyprus Chamber of Commerce and Industry (CCCI) despite their disagreement with the institution of the COLA, intend to negotiate in good faith in order to reach an agreement for its terms in the private sector as of 2018.

A 24-hour primary school teachers' strike took place in early June. The primary school teachers' union POED led the strike as a protest against the new system of employment as this does not recognize the long years of service that many temporary teachers have worked and threatens to leave them without work.

SEK issued a statement calling on the government to take measures to improve the working conditions of lifeguards and to not consider the lifeguards' reluctance to strike because of their sensitivity for human life, as a sign a weakness.

A strike of indefinite duration begun in the desalination unit in Limassol as the firm

retreated from the agreement made with PEO, SEK and the Ministry concerning the renewal of the collective agreement. After nine days of strike and a new meeting with the Minister who gave further clarifications to her proposal the conflict was resolved with the trade unions claiming victory.

A dispute has arisen in the cooperative banks as the Cooperative Central Bank delays and attempts to avoid the discussion about the end of the Fixed Term Temporary Special Agreement (2014-2018). According to PEO, SEK and PASIDY the Cooperative Central Bank also delays the discussion on other key issues such as the unified collective agreement and the unified payroll. The trade unions staged a three-hour warning strike on the 27<sup>th</sup> of June.

A dispute has also arisen in the Hellenic Bank over the transfer of 130 bank employees to the firm APS leading to their exit from ETYK's health fund. ETYK asks from its member to not refuse the new health scheme while Hellenic Bank reassures that the salaries and benefits of these employees will not change and that ETYK should come to an understanding with the new firm about the health scheme. A 24-hour warning strike took place on the 30<sup>th</sup> of June while ETYK is also considering the taking of additional legal measures.

The Ministry of Labour has rejected the demand of the hoteliers' association PASIXE to be allowed to hire foreign students from third countries in the context of internships. The

Minister stated that there are more than 4.000 unemployed that have worked in the past or that have stated their preference for work in the hotel industry and that the hoteliers have ignored the Ministry's call to submit their personnel needs. The hoteliers have pledged to respond to the Minister's call soon but it is believed that they are not in a hurry to do so because they have already covered most of their needs with personnel from Greece and Eastern EU countries.

A two-hour strike took place in the Cypriot ports on the 29<sup>th</sup> June as international solidarity to port workers in European countries, especially Spain Belgium and Portugal where work positions are being scrapped as a result of unilateral decisions.

## 4. Turkish Cypriots

### Economic Developments

The government's decision to raise wholesale price of milk led to tensions between the Livestock Producers' Union and government on the one side, and the Dairy Produce Manufacturers' Union on the other. Manufacturers refused to buy half of the milk from producers blaming the government for not consulting with them before determining the new price. In protest, producers spilled 400 tonnes of unsold milk at a sewage treatment plant.

Livestock producers found themselves clashing with the Chamber of Commerce, which had called on the government to ease restrictions on meat imports in a bid to counter increasing illegal imports from the south. Producers said this would not help to solve the problem but rather help some to make profit. Rather, they suggested to the government to "introduce comprehensive inspections to regulate the price of meat, which is being sold by butchers and supermarkets for more than two-and-a-half times higher than the wholesale prices".

### Relations with Turkey

On June 21, the Turkish Deputy Prime Minister Tugrul Turkes visited the northern part of Cyprus for a series of official contacts ahead of the Conference on Cyprus in Crans-Montana. Turkes met with, President Akinci, Prime Minister Ozgurgun, Speaker of the Parliament Siber and Foreign Minister Ertugruloglu. He also met at the Turkish Embassy, with the political party leaders.

On June 23, Akinci visited Turkey for consultations ahead of the conference on Cyprus where he met with President Erdogan, Prime Minister Yildirim and Foreign Minister Cavusoglu. A few days earlier, Foreign Minister Ertugruloglu met with Cavusoglu and Erdogan in Ankara. Speaking to the Turkish Anatolian Agency, Ertugruloglu said that the Turkish Armed Forces will be present in Cyprus and Turkey will remain a guarantor country, even after a possible solution is reached.

The Turkish Cypriot Minister of Public Works and Communications went to Ankara to discuss the Lapta (Lapithos)-Alsancak (Karavas) road project with his Turkish counterpart. After their meeting, the Turkish Minister of Transportation, Maritime and Communications Ahmet Arslan said that Turkey attached great importance to enabling the Turkish Cypriots to look into their future with confidence as well as to improve their level of development. "Within this framework ... we provide every support we can to improve the TRNC's infrastructure" Arslan said. "300 million US Dollars in funds were allocated from 2004 to 2015 and numerous investments were supported with the aim of completing the country's highway network, improving air and marine transportation and further developing the communications infrastructure. I want to stress that 117 million TL was reserved for the transportation and communications sector this year alone" Arslan said. Explaining that within the framework of the 'TRNC' Highway Master Plan, 225 km of dual carriage ways and 145 km of single lane roads were aimed to be completed by 2020, adding that 45 million TL grant was allocated for this year. Pointing out that they also brought to life a number of projects in the field of communications in the 'TRNC', Arslan said that 35% of the physical realization of the e-state project in the 'TRNC' had been completed.

### **Domestic Developments**

Deputy Prime Minister Serdar Denktas came under serious criticism and faced calls for

resignation in early June due to nepotism. In late May, it was reported that a 200 donum plot of land near Ayios Dometios has been delisted as a military area and will be used to build a university named after the former leader Rauf Denktas. The plot in question had been labelled a civilian area with a decision of the Turkish Cypriot Council of Ministers and leased to a company owned by Serdar Denktas' son Rauf Denktas. Following days of mounting pressure on the government, eventually the Council of Ministers rescinded its decision. According to Cyprus Today, a government source said the UBP had put pressure on Denktas to accept the cancellation. Denktas responded that he had done "nothing illegal" but admitted that there was an "ethical issue" due to his ministerial status.

A few days later, a new corruption scandal broke out when Emrullah Turanli, the owner of the Turkish company operating Ercan (Tymbou) Airport claimed that Foreign Minister Ertugruloglu demanded bribe from him (€12.5 million) when he was serving as the minister of transportation between July 2015 and April 2016. Ertugruloglu hit back alleging that it was Turanli who tried to bribe him. A police investigation has been started.

According to Istanbul-based polling company Gezici's latest survey results, the former negotiator Kudret Ozersay's People's Party (HP) with 30.8% support is the most popular party and the favourite to win the next general election. Prime Minister Huseyin Ozgurgun's UBP,

currently the biggest party in parliament, is second with 23.4%, followed by the main opposition CTP with 18.1%. Social Democratic Party (TDP)'s share is just over 10% while junior coalition partner DP would trail in fifth on just 7.8%.

The 2017 CONIFA (Confederation of Independent Football Associations) European Football Cup, which is a football tournament for nations, minorities, isolated dependencies or cultural regions unaffiliated with FIFA was held in the northern part of Cyprus between June 4 and 11. Padania won the tournament, which was participated by eight teams.

Ombudsperson Emine Dizdarli criticized Kyrenia Municipality for condoning unregulated urban sprawl and arbitrary development; the result was not just negatively affecting residents but the entire population and economy of the country, her report concluded.

### **Labour Relations and Trade Unions**

Doctors and nurses went on a 3-hour strike at the Kyrenia Public Hospital. The Doctors' Union (Tip-Is) leader Sila Usar Incirli said that the 75-bed hospital currently had only 17 doctors to provide 24-hour care when at least 24 were needed.

Electricity workers' strike came to an end after one day when they reached a deal with the Electricity Authority (Kib-Tek). The El-Sen union announced that they had struck agreement after a day-long meeting on issues of "bullying"

and "mismanagement", which had included provision of work clothing and full time status for staff taken on temporarily.

After three weeks of strike action, workers lifted the blockage they had put on Yeni Erenkoy (Yialousa) Municipality and returned to work after receiving half of their unpaid wages. The Municipality Workers' Union (BES) had paralyzed the local authority since May 22, padlocking the front door after its 117 members there had gone without pay for nearly four months. The dispute was resolved when government agreed to meet the wage bill and guaranteed payment for the rest of the year.

## 5. FES Cyprus Events

JulyAugust

--- no events ---

**Sunday, 9<sup>th</sup> July – Friday, 21<sup>st</sup> July 2017**

ECPR/UCY/FES

Workshop

**4th International Summer School in Peace & Conflict Studies: Co-opted Peace and the Pursuit of Justice: Hidden Conflicts, Concealed Violence and New Rights**

University of Cyprus,  
Nicosia, Cyprus

Not open to the Public

**Saturday, 22<sup>nd</sup> July – Saturday, 29<sup>th</sup> July 2017**

WINPEACE / FES

Workshop

**Summer Youth Peace Camp: Peace Education and a Culture of Peace and Non-Violence**

Heraclion, Crete

Not open to the Public

**Imprint:****Friedrich-Ebert-Stiftung (FES)**

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