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## 1. Cyprus Problem

In July amid hydrocarbon tensions and confusion over what type of settlement could or should resolve the Cyprus problem, the Turkish Cypriot and Greek Cypriot leaders decided to meet on 9 August. The meeting was supposed to prepare the ground for a possible trilateral meeting to be held by the two Cypriot leaders with the UN Secretary General in September. Nicos Anastasiades and Mustafa Akinci have not met since February.

The meeting between the leaders had been arranged after Akinci proposed a five-party informal conference on July 10 to clarify if all sides agree to seek a solution based on a bicomunal, bizonal Federation. The Turkish Cypriot leader had also proposed the establishment of a joint committee for cooperation on hydrocarbons under the supervision of the UN. According to the proposal the committee would have the same number of members from both sides, and an independent observer. It also outlined the structure, targets and methodology of the committee and included the establishment of a fund and details on how the fund would function.

On July 18, Anastasiades expressed his readiness to meet Akinci. However, on July 22, after consulting with the Greek Cypriot party leaders, he rejected the latter's proposal on hydrocarbons on the grounds that it distracted from the essence of the Cyprus problem, the need for immediate resumption of substantive negotia-

tions, as well as for not serving the best interests of the Republic of Cyprus and the Cypriot people as a whole. Anastasiades instead offered additional assurances to the Turkish Cypriots on safeguarding their share of the proceeds from hydrocarbons when negotiations to resolve the Cyprus question are in their final stage. Main opposition AKEL criticized Anastasiades for outright rejecting Akinci's proposal and not responding with a counterproposal.

Commenting on the potential resumption of peace talks, Government Spokesman Prodromos Prodrommou noted that the Greek Cypriot side's intention is to begin negotiations from the point where they left off, rather than beginning from scratch, but also to avoid any attempts to divert the procedure from the UN framework. He reiterated that the talks could not restart *"as long as the other side continued to provoke, to violate rights and to cause tensions"*. On the other hand, TRNC<sup>1</sup> foreign minister Kudret Ozersay stated that his

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

government did not support the idea of resuming negotiations on the same basis as the previous round. In line with Ozersay, Turkish Foreign Minister, Mevlut Cavusoglu told Turkish channel TGRT that the way forward would not be from where things left off in Crans Montana in 2017, arguing that talks for a federal solution have failed and there was a need for alternative solutions.

On July 11, according to a joint statement by the UN, the two leaders announced the implementation of the interoperability of mobile phones across the island with the aim of improving the communication between the communities and bringing all Cypriots closer together.

On July 25, the United Nations Security Council unanimously adopted Resolution 2483 renewing UNFICYP's mandate for six more months. In the resolution, UN Secretary-General Antonio Guterres expressed regret at the lack of progress since the conclusion of the 2017 Conference on Cyprus. Guterres urged the sides and all stakeholders to renew their political will and commitment to a settlement under UN auspices. They were asked to engage actively and with a sense of urgency with senior UN official, Jane Holl Lute, to achieve agreement on terms of reference to enable results-oriented negotiations leading to a settlement as quickly as possible. The resolution also called on the two leaders and all involved parties, to refrain from any actions and rhetoric that might damage the chances of success and to improve the public

atmosphere by preparing the communities for a settlement through public messages on convergences and the way ahead and delivering more constructive and harmonised messages.

On July 25, Ozersay announced that he was entering the abandoned suburb of Famagusta, Varosha, with a group of experts while TRNC Prime Minister Ersin Tatar reiterated that Varosha would open under Turkish Cypriot administration. The move follows a TRNC cabinet decision in June on appointing a committee of experts to carry out a scientific inventory of Varosha. The decision aimed at studying the town's land registry records, the condition of its movable and immovable properties, identifying properties of Islamic religious organisation Evkaf, and environmental risks. Evkaf lays claim to a large part of Varosha, which was prior to the Turkish invasion in 1974 inhabited by Greek Cypriots. The Greek Cypriot side, who rejects the claims by Evkaf, protested that Turkish Cypriot moves in fenced-off Varosha was a clear violation of UN resolutions.

July 20, marked the 45th anniversary of the 1974 Turkish invasion which resulted in the occupation of the island's northern third following a military coup engineered by the Greek military junta that toppled the government of the Republic on July 15. A series of memorial services and other events were held in the south. In the north, events were held to commemorate the 45th anniversary of what Turkey calls the "Cyprus Peace Operation". On the occasion, Turkish President Recep Tayip Erdogan

stated that Ankara would not hesitate to take the same actions as in 1974 if the Turkish Cypriots were threatened.

In the first five months of 2019, the number of crossings from the south to the north rose by 53% compared to the same period in 2018, thanks to the devaluation of Turkish Lira against Euro. Greek Cypriots are the leading group using the checkpoints followed by the British, Germans and Greeks respectively.

Turkey donated \$100,000 USD for the Committee on Missing Persons in Cyprus (CMP). Turkish Cypriot member of the CMP Gulden Plumer Kucuk thanked the Turkish Ambassador and the Turkish people for their support. Noting that Turkey had been regularly providing support to the committee since 2006, she said *“Turkey has granted permission for excavation work at 35 military sites without any limits.”*

## 2. Hydrocarbons

On July 24, Reuters reported that the European Investment Bank (EIB) will not do any new lending to the Turkish government, until at least the end of the year while it carries out a strategy review. The move is part of an EU decision to symbolically punish Turkey over its drilling for oil and gas off Cyprus in the Eastern Mediterranean. The freeze is not currently expected to affect private sector projects and the bank could still sign around €350 million worth of

deals before the end of the year if it gets the green light from EU finance ministers on the European Investment Bank (EIB) board. The EIB, which is Turkey’s biggest single lender, has spent between €0.4bn and €2.2bn a year in the country over the last three years. On top of the EIB move, EU foreign ministers on July 15 suspended negotiations on a Comprehensive Air Transport Agreement and agreed not to hold high-level diplomatic contacts with Turkey for the time being. Lastly, they also proposed cutting pre-EU accession assistance to Turkey. Commenting on the EU measures Turkish Foreign Minister, Mevlut Cavusoglu, stated that any EU funding cuts will not affect Turkey’s drilling off Cyprus and that a fourth ship the Oruc Reis, will be sent to the region.

The Turkish Minister of Energy and Natural Resources Fatih Donmez said that the Yavuz would commence drilling off the coast of the Karpasia peninsula in an area licensed by the TRNC by mid-July. Meanwhile, Turkey’s other drillship, the Fatih, has continued its operations off the western coast of the island near Paphos. According to the Turkish daily Hurriyet, the Fatih has drilled a well 4.000 meters in depth. Reportedly, Turkish navy frigate and assault ships are providing protection from sea-borne threats, while F-16 jets and unmanned combat aerial vehicles are providing protection against possible harassment from air.

On July 17, Energy Minister, Giorgos Lakktopis, announced that five exploratory and five appraisal wells will be drilled in the next two

years in offshore concessions inside Cyprus' exclusive economic zone (EEZ).

On July 31 the cabinet licensed Italy's ENI and France's TOTAL to explore block 7 of Cyprus' Exclusive Economic Zone (EEZ) and approved a partnership between the two energy companies in blocks 2, 3, 9 and 8, where ENI has been operating. Total and ENI had applied for an exploration licence in block 7 back in November 2018.

### 3. Greek Cypriots

#### **Economic Developments**

On July 29, the Parliament rejected one of the two presidential vetoes relating to changes to foreclosures legislation. In an extraordinary session the House plenum voted by 35-17 to reject President Anastasiades' veto on a bill that would freeze until October repossessions on primary residences which are potentially eligible for the Estia debt relief scheme. The bill will now be referred to the Supreme court for adjudication. Moreover, the Parliament decided to hold off until August 2, its voting on the second presidential veto, which related to amendments recently made to the foreclosures legislation. The two bills in question had been passed by opposition parties on July 12. The parties wanted to introduce additional safeguards for homeowners with mortgages they are unable to service, and to restore the negotiating balance

between lenders and borrowers. The President however refused to sign off on the two items, saying they render foreclosures legislation ineffective, raising the risk of downgrades for the island's banks and the economy.

On July 26, the government signed a Memorandum of Understanding (MoU) with banks and credit buyers for the implementation of the Estia debt relief scheme, which gets underway in September. MoUs were signed between the government and the Bank of Cyprus, Hellenic Bank, Cyprus Asset Management Company (Kedipes), Alpha Bank, Astrobank, Eurobank, National Bank of Greece, the Housing Finance Corporation and Gordian Holdings. The scheme, which has been approved by the European Commission, will offer the chance to restructure and alleviate the obligations for a fairly high proportion of borrowers that meet the criteria.

A report prepared by the Cyprus Economy and Competitiveness Council found that overall, competitiveness, as reflected in several international benchmarking reports and indicators, was not satisfactory. Competitiveness in Cyprus suffers from a weak business sector, low entrepreneurship and firm dynamism, relatively low rates of business innovation and adoption of digital technologies, limited access to alternative forms of financing and, despite a highly-educated workforce, skill mismatches.

Tourist arrivals fell to 509.662 in June 2019 compared with 511.073 in the same month of 2018, a decrease of 0,3% according to the pas-

senger's survey published by the statistical service. Between January and June 2019 arrivals dropped to 1,63m from 1,64m in the corresponding period of 2018, a decrease of 0,9%. The survey showed that tourist arrivals from Russia decreased by 5,1% in June 2019 compared with June 2018, whereas the number of tourists from Sweden decreased by 12,5%. Arrivals from the United Kingdom remained at the same level as last year, recording a marginal increase of 0,1%. Arrivals from Israel saw a big increase of 39,7%. The United Kingdom constituted the main source of tourism for Cyprus for June 2019, accounting for 32,5% of total arrivals, followed by Russia with 23%, Israel with 6,5% and Sweden with 4,4%.

### **Domestic Developments**

DISY MP Stella Kyriakides was chosen by President Nicos Anastasiades to replace Cyprus' commissioner in the EU, Christos Stylianides.

On July 12 the plenum unanimously approved a bill allowing the prosecution of people requesting, receiving, and/or using the services of a victim of human trafficking. The law essentially removed from the existing legislation the condition of the need to establish reasonable suspicion, due to which there have been no convictions so far of those exploiting the victims of sex trafficking.

According to a Eurostat report published on July 23, the top recipients of Cyprus citizenship in 2017 were Russians some 1.315 of whom re-

ceived naturalisation. Number two on the list of people who were naturalised in Cyprus were UK nationals, 502, and Ukrainians were third with 481 people. In January, the European Commission warned that programmes of EU states, including Cyprus, to sell passports and visas to wealthy foreigners could help organised crime groups infiltrate the bloc and raise the risk of money laundering, corruption and tax evasion.

Famagusta mayor Alexis Galanos passed away on July 15 at the age of 78. Galanos was a long-time MP, the 7<sup>th</sup> president of the House of Representatives, and the mayor of Famagusta since 2006.

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

Employees at Zenon Larnaca Buses were on strike as of July 2, because the company continued not to pay their salaries. In a statement, the Cyprus Workers Confederation (SEK), the Pancyprian Federation of Labour (PEO), and the Democratic Labour Federation of Cyprus (DEOK) trade unions said that *"they [the employees] have shown tremendous patience and understanding over the years about the problems with the company's fleet, the multiple mechanical problems and work under harsh weather conditions. The company's failure to pay their salaries for June is what led them to an indefinite strike."* However, at the General Meeting of the employees of Zenon Larnaca Buses, which took place on July 4, they decided to suspend their strike measures, following an agreement with the company on the immediate

payment of June wages. In her statements Nadia Kiritsi, Larnaca District Secretary of the PEO, said *"an agreement has been reached to pay all the salaries of the employees as well as a compensation for the days they were on strike because the reasons behind their strike were not a responsibility of the employees. A timeline was also set for the full repayment of their Provident Funds and the continuation of the payment of the rest of their Employee Funds."*

Limassol Hospital workers of the cleaning department, cabin assistants, cooks and surgery clerks went on strike on July 4. The strike initially lasted for 24 hours, and workers demanded that vacancies and long-term sick leave should be filled by new hires, so they could get their leave and extras owed to them by the Hospital. They also demanded the hiring of clerks for irregular hours and surgery clerks. During the strike, the hospital administration had a meeting with the trade unions and after discussing the problems, assurances were given by the hospital management to resolve them. After this development, the employees returned to their jobs but gave a 10 days' notice to the administration in order to implement what they had promised.

Employees of the Limassol Municipality went on a two-hour strike on July 5. The strike was attended by employees who were demanding: 1) immediate staffing of the municipality's departments, 2) immediate renewal of the car fleet of the cleaning department and, where necessary, 3) modernization of the structure

and operations of the municipality. Employees warned the municipality that if their demands are not put forward for implementation next time, measures will escalate.

On July 9, a 24-hour strike was carried out in all accident and emergency departments of public hospitals (TAEP). The decision to strike was made because the under-staffing of TAEP endangers patients' and staff's health while TAEP doctors have been working without adequate rest for months. In a letter, the Minister of Health, Constantinos Ioannou, requested a meeting with the Pancyprian Government Doctors' Union (PASYKI), the Pancyprian Public Employees Trade Union (PASYDY) as well as the Pancyprian Association of non-Permanent Physicians (PASESI), and representatives of TAEP, in the presence of the State Health Service Organisation (OKYPY) in order to consult with health professionals. He also stated his disagreement with the announced strike, reiterating that given that solutions to the problems are currently investigated, the strike will only cause problems to patients. He announced that actions for the purchase of services by the private sector are being considered as an immediate solution, while signing of contracts is under way. Moreover, the Ministry considers a raise of the €800 First Aid allowance as well as advertising vacancies in Greece. Finally, he noted that a proposal has been made to specialized physicians to work in the TAEP.

The Pancyprian Federation of Labour (PEO) staged a protest on July 12 in Limassol with the slogan "NO MORE BLOOD FOR A DAY'S WAGE" after the last fatal labour accident in Limassol on July 10. The march initiated from PEO's Limassol HQ and ended in front of the Government House where a speech was made by the District Secretary, Dimitris Christodoulou, and a letter was approved for the Minister of Labour and Social Insurance. The letter emphasized that in recent years accidents at work have increased to such a degree that they have become a scourge. In 2019 alone there were seven fatal accidents. The inability of the Labour Inspectorate Department to cover and inspect properly all workplaces because it is understaffed, along with new security requirements created by the construction of multi-story towers has created conditions for an increase of accidents at work in Limassol.

The contractors approved the binding mediation proposal put forward last May by Labour Minister Zeta Emilianidou on July 16 during a general assembly. According to the proposal, for the first time in an important private sector industry, legislation has been introduced to guarantee substantial benefits, with the aim of covering workers in the construction industry, who may not currently be participating in trade unions. The bill to be referred to the Parliament covers three essential legal benefits: The number of gratuities on holidays, the overtime allowance after 38 hours of work and the welfare fund contributions. The binding proposal also provides for the gradual restoration of 70% of

all cuts accepted by the labour force in 2013 as a measure to allow time for the construction sector to recover from the crisis. It is worth noting that the renewal of the collective agreements in the construction sector was pending from 2015. In October 2018, at another assembly, the contractors had rejected an earlier mediating proposal of the Minister of Labour. This rejection was followed by a series of consultations to persuade the Minister to intervene and bring the contractors and trade unions back on the dialogue table. After about eight months of joint and separate negotiations, contractors and trade unions have accepted the proposal of the Minister of Labour as "binding."

A new request is being made by civil servants seeking to reinstate a pension plan based solely on state contributions. This request is being made while a court ruling on full and immediate restitution of their salaries is pending, and the government's decision to recover their salaries on the pre-2013 levels by 2023 is in progress. The finance minister is meeting with the Pancyprian Public Employees Trade Union (PASDYD), the Organization of Greek High School Teachers of Cyprus (OELMEK), the Pancyprian Organization of Greek Elementary School Teachers (POED), and the Cyprus Technical Education Officers Organization (OLTEK). They rejected their demands for a full reinstatement of the professional government pension plan, based on which they received a state pension by paying minimal contributions. The Council of Ministers insists on the September 2016 decision according to which the general

guidelines for the proposed reform actions in the area of occupational retirement funds was approved. With this decision, the government is essentially blocking any reinstatement of the professional government pension plan that was in force until 2011. Public servants hired after October 2011 have no access to the state pension plan and older employees now make a significant contribution from their salary to their pension funds. The decision to end the state pension plan was taken in response to the serious financial problems that existed and to contain labour costs in the public sector. However, PASYDY has since stated that the decision that civil servants will contribute 3% of their salary to the pension plan as well as the parallel decision to cut salaries and allowances was unconstitutional. PASYDY's position was ultimately justified by two rulings of the administrative court. The administrative court ruled the decisions to cut wages and pensions in the public domain as unconstitutional, citing Article 23 of the Constitution which provides that the employer is not entitled to unilaterally cut wages or pensions. The government has appealed the decision of the administrative court with an appeal to the Supreme Court, which is expected to convene on September 30 to rule on the matter. It is noteworthy that following the exit of Cyprus from the Memorandum with the Troika in 2016, trade unions representing public-sector employees, semi-governmental organizations and local authorities have concluded a framework agreement with the Ministry of Finance for the

gradual recovery of salaries until 2023 and the integration of newcomers into the public and indefinite-term workers into a welfare fund. The agreement was accepted and signed by the trade unions of SEK, PEO and the Ministry of Finance. PASYDY refused to conclude the agreement, arguing that a court decision for the case of civil servants against the cabinet's decisions to cut salaries and pensions in the public sector was still pending at the time. However, the cabinet called on the finance minister to submit a proposal by September 15 confirming the framework agreement and providing for the inclusion of existing employees, newly hired ones and part-time workers in a welfare fund, as opposed to recovering the pension plan that was in effect before October 2011. The government's decision not to reinstate the professional government pension plan led PASYDY and other trade union organizations from the public sector, to submit counterproposals to the Ministry of Finance on the pension plan in order to reach a consensus. The trade unions will formally submit their objections to the Ministry, provided the latter accepts a revised government pension plan and withdraws its decision to set up a welfare fund.

The trade unions posed an ultimatum to the hoteliers, through the Ministry of Labour mediating service, to take vigorous action if there will be no positive outcome to the negotiations with the Cyprus Hotels Association (CHE) and the Association of Corporate Travel Executives (ACTE) for the renewal of the collective agreement of hotel and tourism sector employees.

SEK and PEO trade unions sent a letter to the Director of Labour Relations at the Department of Labour, Marina Ioannou, inviting her to declare, by the end of the month, a deadlock in the negotiations as they claim that the previous collective agreement has expired on 31 December 2018 and seven months later, there has not even been a positive step on the part of the hoteliers to renew it. So far, the divide between the two sides remains unbridged despite the efforts of the Ministry of Labour. Employees in the hotel industry claim salary increases of 4% per year. At the same time, they demand that all articles of the collective agreement which were amended by the special agreement of 2013-2015, due to the financial crisis at the time, be revised exactly as provided for in the agreement which was in place until December 31, 2012. Trade unions argue that wage cuts and other benefits consist of a total of about 15% of employees' salaries and they demand a gradual restoration of those salaries. The hoteliers disagree with re-establishing earlier provisions of the contract on the grounds that they had agreed to incorporate public holidays and other benefits with reference to a relevant law in 2016. They restrict themselves to accepting part of the wage increases and revising the existing two pay schemes, given that there will be a mutually acceptable solution. In addition to wage increases, hotel workers are demanding an improvement in the conditions governing public holidays: if employees work on a public holiday, they will be compensated, either in the form of a day's paid leave given at the

discretion of the hotelier or in money. Concerning the welfare fund, the trade unions demand that, for each employee completing six months of service in the hotel industry, contributions from both employers and employees should be paid to the employees' welfare fund.

## 4. Turkish Cypriots

### Economic Developments

A financial and economic cooperation protocol signed between the TRNC and Turkish government set five-month targets including fiscal discipline, unbundling Kib-Tek (Electricity Authority) responsibilities; rebate of raise given to the public sector employees, pensioners and social benefit recipients at the end of 2018; public-private partnerships at Kyrenia and Famagusta sea ports and the marina in Kyrenia old harbor; restructuring of municipalities and introducing a general health insurance scheme (see the sections on Relations with Turkey and Labour Relations and Trade Unions for more).

According to the TRNC Central Bank data, by the end of June 2019 net profitability of the banking sector has reached US\$ 90.3 million, a 29.9% rise in dollar terms compared to a year earlier.

The number of UK-based Turkish Cypriots preferring to use Larnaca Airport, instead of Ercan Airport, has increased by 17%. Out of 24,018 UK-based Turkish Cypriots who have arrived to the island in the first 5 months of 2019, 18,826 (78.4%) used Larnaca airport.

### **Relations with Turkey**

Turkish President Erdogan signed a presidential decree to establish a coordination office to oversee economic, financial and technical assistance planning between Turkey and the TRNC. The Coordination Office for Cyprus Affairs will operate under the responsibility of the office of the Turkish Vice-President, Fuat Oktay. Temporary working groups are made up of experts placed under the coordination office to assess, review and oversee the implementation of economic protocols between Turkey and the TRNC. According to its mandate, all projects and transactions between public institutions of the two countries will be implemented following consultations with the coordination office. Before the change of the government system in Turkey, a Deputy Prime Minister responsible for Cyprus Affairs had had the same portfolio.

An interim financial and economic cooperation protocol, which would cover the rest of 2019, was signed by Turkish Vice President Oktay and Turkish Cypriot Prime Minister Ersin Tatar on July 20. The protocol envisages the release of 750 million TL (€119.54 million) in financial assistance to the TRNC and a series of reforms for the public sector. Speaking to reporters Tatar said that a portion of the 750 million TL would be used for a number of incomplete infrastructure projects including the repair of certain roads which were damaged due to heavy rains last winter; the rest will go to defense expenditures. He said that a more detailed agreement would be signed once the bureaucratic and

technical work was completed. Tatar added that the cashflow would breathe some relief to the economy.

The 3rd TRNC Investment Advisory Council meeting, jointly organized by the TRNC Prime Ministry, the Union of Chambers of Commodity Exchanges (TOBB) of Turkey and the Turkish Cypriot Chamber of Commerce (KTTO) was held in Nicosia on July 6. The final communiqué pointed out the importance of bureaucratic reform and the need for strengthening the judiciary to support economic development and development of arbitration mechanisms. Turkish Vice President Oktay also attended the meeting. Besides his meetings with TRNC officials, Oktay also visited a village in the Mesaoria plain and came together with villagers. Listening to the villagers' demands Oktay said *"we are doing our best for the further development of the TRNC. You should know that we are together and everyone in Turkey loves you from the heart."*

A multi-purpose rescue ship has been assigned to the TRNC to serve in its maritime zone. Turkish Transport and Infrastructure Minister Mehmet Cahit Turhan, Turkish Cypriot Prime Minister Tatar and Turkish Vice President Oktay took part in the ceremony.

Oktay held inspections at the construction of Ercan/Tymbou Airport's new terminal building. Prime Minister Tatar accompanied Oktay during the inspection.

The Minister of Natural Education and Culture, Nazım Cavusoglu, visited Turkish National Education Minister Ziya Selcuk in Ankara. During the visit, a memorandum of understanding was signed between the two countries which aimed at increasing cooperation between the two countries in the field of education. Cavusoglu also met with Turkish Minister of Culture and Tourism, Nuri Aksoy.

The Minister of Tourism and Environment, Unal Ustel, paid a one-day visit to Ankara and met with the Turkish Minister of Culture and Tourism Mehmet Nuri Ersoy. Pointing out that airport taxes in both countries were one of the biggest factors causing the increase in ticket prices, Ustel said that he conveyed the Turkish Cypriot government's request for all airport taxes to be lifted. He also requested the introduction of a price ceiling so as keep airline ticket prices below a certain level.

### **Domestic Developments**

The Turkish Cypriot Chamber of Commerce (KTTO) has been accused of *"grave disrespect"* and being part of a *"systematic"* attempt to discredit President Mustafa Akinci, for inviting him to its TRNC Investment Advisory Council opening ceremony, but not having him as a speaker. Akinci's spokesperson Baris Burcu said the president's office had been told by the KTTO that this was *"the decision of the KTTO board"*. Burcu commented that customarily *"when the president attends any meeting he is invited to, it is at the president's discretion to*

*give a speech or not... It is probable that the second part of this meeting will be held in Turkey. Is the same treatment going to be given to Turkish President Recep Tayyip Erdogan, if he is invited?"*

Deputy Prime Minister and Foreign Minister Kudret Ozersay has indicated his intention to run for president in next year's presidential election. Ozersay said the election would be a *"referendum"* on the Cyprus issue: *"Are we going to elect someone who will negotiate a bi-communal and bi-zonal federation, as we have done for more than 50 years, or are we going to opt for someone who is open to discussing new ideas free from a dogmatic position?"*

An astray Russian-made S-200 missile (most probably fired by the Syrian air defense systems) crashed just outside of a village in Nicosia district on July 1. The crash did not cause any damage.

Fifty Syrian asylum seekers who were detained at Ercan airport were sent to Turkey following an agreement reached with the Turkish Department for Migration.

More police should be recruited to combat the TRNC's rising crime wave, said the country's Chief Judge, Narin Sefik. *"There is such an increase in crime that police are having difficulty in trying to keep up with their existing number of staff ... [and fail] to complete police investigations due to staff shortages and therefore not sending files to court"* Sefik said in a program to mark the end of the judicial year this week.

More than 600 domestic violence cases have been handled by the Anti-Violence Unit of the police during the first half of 2019. Nicosia Turkish Municipality's (LTB) women's refuge has sheltered and supported more than 60 battered women and their children during the same period. The figures were revealed at the first meeting of the Coordination Mechanism to Combat Domestic Violence, a platform created under an EU-funded LTB project.

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

Provisions of the financial protocol signed with Ankara, including privatization of telecommunications, ports and the unbundling of the Kib-Tek (electricity authority) angered the Trades Union Platform, which demanded its cancellation and signaled that its members would stop work at "strategic points" – including Ercan Airport, the Kib-Tek, municipalities and courts – after the August 11-14 Eid (Bayram) Holiday. According to the report of Cyprus Today, Trade Unions Platform's spokesperson and secretary general of primary school teachers union, KTÖS, Sener Elcil said the economic protocol was "politically imposed by Turkey and signed by the TRNC government for the sake of [government] seats and money. It sees termination of the gains of workers, impoverishment of the Turkish Cypriot community, handing over state assets for the benefit of party supporters and enrichment of those who feed on unearned income."

Elsewhere, KTAMS (Public Servants' Union) president Guven Bengihan said the protocol

agreement would push Turkish Cypriots into becoming a minority on the island and would result in destroying Turkish Cypriot identity, while KTÖS (Primary Schools Teachers' Union) Secretary General Sener Elcil claimed that the economic protocol stripped the Turkish Cypriots' of their economic and political freedom.

The Trade Union Platform has filed a court case against the government's decision to cancel the 2% raise that had been given by the previous government for 2019 salaries, pensions and social benefits, as of July. The platform argued that a decree providing for the change should have been issued by Parliament, not cabinet. The court granted interim injunction pending trial.

The state-run electricity authority, Kib-Tek, will undergo a restructuring as part of Economy and Energy Ministry's efforts to strengthen its "accountability, transparency and efficiency" the Minister, Hasan Tacoy announced [privatization has been ruled out] at a press conference at which he read out a joint statement saying three "relevant bodies" – the Ministry, Kib-Tek and El-Sen (electricity authority workers' union) – had reached agreement over how to address problems with the authority's "unsustainable" structure. The El-Sen voiced its support for the Minister's reorganization plan, acknowledging that there were problems with Kib-Tek and backing any action against claims of corruption and irregularities that have emerged recently. The union leadership said the union had taken part in drafting the joint statement, and added:

*“We put forward our views on the draft text, and some points we did not approve have been taken out.”* The union leader Ozkirac said the union would back the Ministry *“as long as they take right action to address the problems,”* but have stressed that it was *“strongly against privatization”*.

## 5. FES Cyprus Events

### August

--- no events ---

### September

--- no events ---

#### **Imprint:**

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