



EDITOR'S NOTE

Starting in 2025, the FES Newsletter will transition to a bimonthly publication schedule due to budgetary constraints. Additionally, this edition does not include a Turkish Cypriot section because of a recent change in authorship for that segment.

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January and February

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HEADLINES

The United Nations Under-Secretary for Political and Peacebuilding Affairs, Rosemary Di Carlo, holds meetings in Cyprus, Greece and Turkey to prepare the ground for an enlarged meeting on the Cyprus problem, set to take place in March in Geneva.

No substantial progress noted on the crossing points discussions between the Cypriot leaders.

Cyprus and Egypt signed two agreements concerning the exploitation of natural gas resources in the eastern Mediterranean.

Cabinet members in the Christodoulides' administration are ousted from DISY.





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PODCASTS in FEBRUARY:
No podcasts in February



PODCASTS in MARCH:
No podcasts in March

PUBLICATIONS in March:

„Migration Movements: Shaping the Mediterranean Realm – The Egyptian Experience“
Amina Fahmy, Migration Policy Researcher

The publication will soon be available at <https://cyp-rus.fes.de/publications.html>

„Country Report and Migration Profile: Lebanon“
Maysa Baroud, Joint Visiting Fellow, Middle East Council on Global Affairs & Issam Fares Institute for Public Policy and International Affairs

The publication will soon be available at <https://cyp-rus.fes.de/publications.html>



PUBLICATIONS in MARCH:

„Country Report: Cyprus“
Annagrace Messa, Asylum/Migration Civil Society Consultant

The publication will soon be available at <https://cyp-rus.fes.de/publications.html>

„Country Report: Greece“
Dr. Angeliki Dimitriadi, Head, Migration Programme & Senior Research Fellow, ELIAMEP

The publication will soon be available at <https://cyp-rus.fes.de/publications.html>

„Migration in the Eastern Mediterranean: Commonalities and Differences between Egypt, Lebanon, Greece, and Cyprus“
Maysa Baroud, Angeliki Dimitriadi, Amina Fahmy, Annagrace Messa

The publication will soon be available at <https://cyp-rus.fes.de/publications.html>

EVENTS in MARCH:

Publication Launch:

„Corruption Perceptions in Cyprus 2024“

With Omer Gokcekus (Seton Hall University) and Sertac Sonan (Cyprus International University)

Date: March 11th, 2025

Time: 10:30 AM - 12:00 PM

Location: Rüstem Kitabevi

The publication will soon be available at <https://cyp-rus.fes.de/publications.html>



EVENTS in MARCH:

Grab A Cypriot Coffee: „Cyprus Talks in Geneva: A Turning Point or More of the Same?“

With Dr. Harry Tzimitras (Director, PRIO Cyprus Centre)

Date: March 28th, 2025

Time: 10:00 AM - 10:30 AM (Nicosia Time) / 09:00 AM - 09:30 AM (Berlin Time)

Kindly RSVP by March 27th to receive the Zoom link by emailing: office.cyprus@fes.de





CYPRUS PROBLEM & INTERCOMMUNAL RELATIONS

On January 10, United Nations Secretary General (UNSG) António Guterres published his latest report on his Mission of Good Offices in Cyprus, covering developments between June 13 and December 11, 2024. In his report, Guterres said he remained committed to maintaining contact and dialogue with the parties, as well as with the guarantor powers, in search of a path towards a peaceful settlement. He stated that an agreement on the opening of new crossing points would be a meaningful signal of political will ahead of any broader format meeting. The UNSG expressed concerns over either side taking unilateral actions in and around the buffer zone. He also called for obstacles to trade via the Green Line Regulation and challenges and financial matters to be addressed urgently.

On January 20, UN Special Representative in Cyprus, Colin Stewart, hosted a meeting in the UN buffer zone between the respective Greek Cypriot and Turkish Cypriot leaders, Nikos Christodoulides and Ersin Tatar. Christodoulides presented a package of eight proposals including suggestions related to crossing points and other ideas previously discussed with the UNSG. According to Christodoulides, the eight proposals are interconnected and are not intended to be chosen individually. The proposals included the establishment of a civil society advisory committee for the Cyprus problem, a truth committee, and a youth technical committee; and opening crossings at Pyroi/Gaziler-Athienou, Mia Milia/Haspolat and Kokkina/Erenkoy, as well as a passage through Louroutzina/Akincilar. Christodoulides

¹The Turkish Republic of Northern Cyprus (TRNC) is only recognised by the Republic of Turkey. While for Turkey and the Turkish Cypriots, Ersin Tatar 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

noted that Tatar had not responded positively to these suggestions. From his end, the Turkish Cypriot leader focused on his proposal for opening a crossing point at Mia Milia/Haspolat and stressed that he would not agree to transit points that might pose security problems to the territory of the TRNC.¹ Discussions on the crossing points and Christodoulides' proposals continued on a negotiators' level, between Menelaos Menelaou and Gunes Onar, with no substantial progress being noted.

On January 31, the mandate of the UN's Peacekeeping Force in Cyprus (UNFICYP) was extended until January 31, 2026 following the unanimous passing of a resolution by the UN Security Council. The Security Council urged the two sides to renew their efforts to achieve an enduring, comprehensive, and just settlement based on a bicomunal, bizonal federation (BBF) with political equality.

Ahead of a planned enlarged meeting on the Cyprus problem in Geneva in March, the United Nations Under-Secretary for Political and Peacebuilding Affairs, Rosemary Di Carlo, took a tour in the region, visiting Cyprus, Greece and Turkey. On February 10, Di Carlo met separately in Nicosia with Christodoulides and Tatar. During his meeting with Di Carlo, Christodoulides reportedly suggested five specific proposals to achieve a positive result through the enlarged conference on Cyprus. Tatar, on the other hand, reiterated to Di Carlo that the sovereign equality and international status of the Turkish Cypriot people must be accepted for any constructive steps to be taken towards a solution. On February 12, Di Carlo met in Athens with Greek

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).





Foreign Minister Giorgos Gerapetritis, who noted that a solution to the Cyprus problem is an absolute priority for Greece and insisted on a BBF, in line with UN Security Council resolutions. Di Carlo completed her tour on February 13 in Ankara, where she met with Turkish Deputy Foreign Minister and European Union Affairs Director, Mehmet Kemal Bozay. Bozay was deputizing for Foreign Minister Hakan Fidan who was accompanying Turkish President Recep Tayip Erdoğan for a visit in Pakistan as part of a tour in Asia. Tatar had initially stated that the enlarged meeting would take place on March 17 or March 18, however Christodoulides stated on February 15 that some minor changes have since been made to the expected date. The enlarged meeting will include both Cypriot sides, the three guarantors Greece, Turkey, UK, as well as the UN.

On February 12, Turkish Cypriot opposition political party CTP leader Tufan Erhürman stated that a solution to the Cyprus problem is an urgent necessity. Speaking to the north's public broadcaster BRT, Erhürman criticised Tatar's insistence on recognition of the TRNC's sovereign equality and equal international status as a prerequisite for negotiations to resume, and he said the ongoing deadlock is a negative for both sides.

On February 13, Pakistan's Prime Minister Shehbaz Sharif stated that he fully supports the cause of northern Cyprus and fully stands by Turkey on this cause in an unwavering fashion. The comment was made during a joint press conference held with Erdoğan.

At an event held in Nicosia on January 17, Members of bicomunal 'United Cyprus' gathered at Ayios Dometios crossing point demanding the immediate opening of more crossing points. A letter addressed to the UNSG, including a joint statement by the organisers, was handed to an UNFICYP representative. United Cyprus is a platform for 75 or-

ganisations and political parties from both sides of the divide.

HYDROCARBONS

On January 14, Energy Minister George Papanastasiou stated that the floating storage and regasification unit (FSRU), an integral component of the liquefied natural gas (LNG) project, is expected to remain in Malaysia for about two to three months where it's undergoing technical inspections.

On February 17, Cyprus and Egypt signed two agreements concerning the exploitation of natural gas resources in the Eastern Mediterranean. The two agreements were signed in the presence of President Christodoulides and his Egyptian counterpart, Abdel Fattah El-Sisi, on the sidelines of the Egyptes (Egypt Energy Show).

- The first agreement was a memorandum of understanding signed by Cyprus and Egypt, as well as American multinational corporation Chevron, Israeli energy company NewMed Energy, and the BG Group, which is owned by Royal Dutch Shell. It concerns the Aphrodite deposit in Block 12 of Cyprus' Exclusive Economic Zone (EEZ). The agreement reportedly establishes the framework for the effective commercialisation of the natural gas that will come from the specific field.
- The second was a host government agreement, signed by Cyprus, Egypt and the consortium comprising French multinational corporation Total and Italian energy company Eni, over Block 6 of Cyprus' EEZ. This agreement sets Egypt as the host government for Block 6 and the Kronos, Zeus and Kalypso gas fields. The gas extracted will be sent to the Segas LNG terminal in the Egyptian port city of Damietta for liquefaction. Given the proximity of the Kronos reservoir and Block 6 to Egypt's Zohr gas field,





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which Eni also operates, Eni will be able to use its own infrastructure to take the Cypriot natural gas to Damietta.

According to Constantinos Hadjistassou, Professor at the School of Sciences and Engineering, Department of Engineering at the University of Nicosia, natural gas production from Block 6 of Cyprus' EEZ could commence within 2 to 2.5 years. Speaking to the Cyprus News Agency on February 24, Hadjistassou described the agreement concerning Block 6 as the most significant of the two agreements signed in Cairo.

GREEK CYPRIOTS

Gender Developments

On January 24, the NGO Support Centre unveiled initiatives to tackle sexual harassment and gender-based violence in the workplace as well as to support its victims. The proposed measures included advocating for the legal recognition of femicide and offering legal and psychosocial support to both children and adults who have suffered abuse. Additionally, plans include the establishment of day centres to assist victims.

During the House human rights committee meeting discussing violence, harassment and unfair treatment of women in sports, MPs said on February 17 that gender-based violence should be thoroughly looked into through investigation and control mechanisms, as the mere condemnation of cases was not enough. The committee received a series of complaints, and deputy chairman of the committee, MP Giorgos Koukoumas, said the House would be sending a letter to the Cyprus Sports Association (KOA) to request specific figures regarding benefits given to men and women.

On February 20, the Gender Budgeting and Gender Mainstreaming conference was held in Nicosia.

The event, hosted by the Cyprus Gender Budgeting Platform, focused on promoting gender equality through economic policy. Discussions at the conference centred on key issues like economic strategy, tax, and entrepreneurship, emphasising meritocracy, transparency in decision-making, and combating discrimination.

Economic Developments in Times of Green Transition

In January, after years of delays, the Electricity Authority of Cyprus (EAC) began installing smart meters, starting with urban areas across the country. EAC spokesperson Christina Papadopoulou outlined the benefits of the smart meters, noting that consumers will have access to real-time daily updates on electricity consumption. The installation will be completed by 2028.

On January 21 the Cyprus Chamber of Commerce and Industry (Keve) announced the launch of the EcoSMEnergy project. The project, co-funded by the European Union under the Life Programme, aims to support small and medium-sized enterprises (SMEs) in Europe in addressing challenges related to high energy consumption. Participating businesses will benefit from free energy audits and tailored Energy Management Systems (EnMS). The project will also provide access to financial solutions for energy efficiency projects, including renewable energy systems.

On February 21, the Cyprus Energy Saving Association held its annual general and electoral assembly, reaffirming its commitment to energy efficiency and sustainable development. In his address, Energy Minister George Papanastasiou detailed the government's strategy for tackling energy challenges and reducing costs. Papanastasiou highlighted initiatives such as introducing a competitive electricity market, making infrastructure improvements for natural gas imports, and expanding renewable energy sources.

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He underscored the role of energy efficiency in cutting expenses for businesses and households alike. The minister outlines new and current funding opportunities, including:

- The €35m “Energy Storage Grant Scheme” is aimed at increasing the penetration of renewable energy in Cyprus’ energy mix.
- The “Save & Upgrade for Businesses and Non-Profit Organisations” programme, with a budget of €40m, aims to support the energy renovation of buildings and equipment.
- For residential energy efficiency, the “Save & Upgrade for Households” scheme, now in its third phase, has allocated €30m in grants.
- A separate €17m scheme launched in 2024 is dedicated to large enterprises seeking to enhance their energy performance.

The government continues to promote renewable energy projects through the RES & EC Fund, which disbursed €27.5m in grants in 2024.

Domestic Developments

Yiannis Karousos was confirmed as the new deputy leader of DISY without opposition, following the conclusion of the party’s nomination process on January 8.

A party conference was held among DISY members on February 15 to decide the party’s next steps. After a majority vote, cabinet members in the Christodoulides’ administration were ousted from the party. The decision affected Interior Minister Constantinos Ioannou, Transport Minister Alexis Vafeades, Deputy Shipping Minister Marina Hadjimanoli, Deputy Tourism Minister Costas Koumis, and Government Spokesman Konstantinos Letymbiotis.

Foreign Relations

No notable developments occurred during the months of January and February.

Future of Work, Labour Relations & Trade Unions

On January 2, the Ministry of Labour announced that, following a recent amendment to the Transparent and Predictable Working Conditions Law, a Decree was issued on December 19. Under this Decree, all employers are required to register their employees in the ERGANI digital system between January 2, 2025, and February 28, 2025. As part of this registration process, employers must provide detailed information about each employee, including personal details, the location where they perform their work, their job title and duties, the date they commenced their employment, their salary, any additional allowances or benefits with a detailed breakdown, their working hours, and the number of days they work per week.

On January 3, the Council of Ministers approved the bill titled “The Artists’ Registry and Artistic Grant Law of 2025”, which was drafted by the Law Commissioner in collaboration with the Deputy Ministry of Culture, Ministry of Finance, and the Social Insurance Service. The bill aims to define the framework and criteria for granting artist status to cultural creators and professionals in the industry and to introduce a grant for self-employed artists, acknowledging income fluctuations and unique working conditions in the sector. The government hopes parliament will pass the bill during 2025, enabling the immediate creation of the Artists Registry.

On January 7, the first meeting of the Labour Advisory Body for 2025 took place with a focus on labour shortages and the high demand for foreign workers, the Cost-of-Living Allowance (COLA), and pension reform. According to the minister, the emphasis in 2025 will be on new criteria for hiring foreign workers and reviewing the national minimum wage, following EU guidelines. Discussions also touched on pension system changes, particularly the actuarial 12% reduction in pensions.





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On January 8, dockworkers at the ports of Limassol and Larnaca signed the renewed collective agreement, valid for two years, achieving salary increases and the establishment of a small negotiation team to resolve other pending matters before the contract expires.

On January 17, the Larnaca District Local Government Organisation (EOA) and the trade unions SEK and PEO signed a collective agreement. In a statement, the Larnaca EOA announced that the collective agreement was signed in a spirit of complete satisfaction and consensus and that the agreement ensures labour peace and regulates various employment matters concerning administrative and technical staff, including employment benefits.

On the same day, the trade unions SEK, PEO, and DEOK expressed strong disagreement regarding the Ministry of Labour's draft proposal on employment criteria for workers from third countries. In a joint letter to the Minister of Labour, the three trade unions emphasised that their positions were not considered in the draft's content, and significant provisions from previous criteria were omitted. Among other concerns, they highlighted their apprehension over the Ministry's intent to alter the fundamental principle and overall philosophy of the employment process. They also expressed serious reservations about the proposed increase in the deduction for housing costs to 25% for third-country workers as this measure effectively denies the workers' right to arrange their own accommodation, raising concerns that it could be a disguised reduction in their earnings.

On February 3, the trade unions of the Cyprus Broadcasting Corporation (CYBC/RIK) announced that they aim to escalate their actions in protest over the non-payment of pensions to retired employees. In a joint statement, they emphasised that this issue has remained unresolved for two years. As part of their

response, they will begin strike action on February 18, continuing until the matter is fully resolved.

Trade unions and semi-governmental organisations are kicking off the renewal of collective agreements for employees in the broader public sector and local authorities, based on the agreement signed on July 18, 2024, between the Minister of Finance and trade unions SEK and PEO. The first agreements for the renewal of collective agreements in the semi-governmental sector were announced on February 12 and concern the Cyprus Telecommunications Authority (CYTA).

On February 19, the Cabinet approved a new framework for the employment of third country national (TCN) workers in Cyprus, aiming to better regulate their employment. The framework includes several changes to existing procedures. One of the main measures is the establishment of a Tripartite Advisory Committee, which will involve the Ministry of Labour and Social Insurance, trade unions, and employer associations to oversee the implementation of these processes. Furthermore, the list of professions eligible for increased quotas of TCN workers will be updated due to a documented shortage of available local workers in certain sectors. The new framework also allows for the mobility of workers within the same employer's establishments at the regional level, and there is the possibility for nationwide movement requests. Although the new framework introduces specific criteria for housing, it increases the maximum salary deduction from 10% to 25% of gross wages, provided the accommodation meets the set standards. Lastly, the cabinet also approved a decree to increase the minimum wages for 19 professions in the hospitality industry.

According to the Statistical Service, workers' earnings have increased. Preliminary figures estimate that the average gross monthly earnings of employees in the third quarter of 2024 stood at €2,351,

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compared to €2,230 in the third quarter of 2023, reflecting a 5.4% increase. Specifically, seasonally adjusted average gross earnings for the third quarter of 2024 were estimated at €2,506, marking a 1.3% rise from the €2,474 recorded in the second quarter of the same year. Interestingly, for men, average gross monthly earnings in the third quarter of 2024 were estimated at €2,526, while for women, they stood at €2,133. Compared to the third quarter of 2023, male earnings increased by 5.4% and female earnings by 5.5%.

In 2024, Cyprus had the lowest percentage of workers who were able to work entirely or partially from home in Europe. This data is highlighted in the recent Eurofound survey, which shows significant variations between men and women working remotely across European countries. In Cyprus, 22% of women and 25% of men worked remotely during 2024. These figures place Cyprus at the bottom of the ranking of European countries where employees worked remotely or used a hybrid work model last year. At the top, the Netherlands recorded a telework rate of 83% for male employees and 72% for female employees.

According to Eurostat, Cyprus ranked sixth among European Union member states with the highest percentage of low-wage workers in 2022. Specifically, 20% of employees in Cyprus were low-wage earners, which was above the EU average of 14.7%. The Eurostat report highlighted a gender disparity in low-wage employment, with 17.1% of women classified as low-wage earners in 2022, compared to 12.6% of men. Additionally, younger workers were disproportionately affected, with 25.2% of employees under the age of 30 falling into the low-wage category. In contrast, this figure dropped to 12.1% for workers aged 30-49 and 13.4% for those over 50. Eurostat published these figures, showing that the percentage of low-wage workers in the EU decreased from 16.2% in 2018 to 14.7% in 2022.





SHORT BIOGRAPHIES OF AUTHORS

Yiannis Charalambous

Yiannis Charalambous has been a Research Assistant for FES Cyprus contributing to the writing of the monthly FES Cyprus Newsletter since July 2012. Yiannis obtained a Bachelor's degree in Turkish Studies from the National Kapodistrian University of Athens and an MA in International Relations and European Studies from the University of Nicosia. The subject of his dissertation focused on evaluating the catalyst effect in resolving the Cyprus problem, by comparing the factors of EU membership and the discovery of hydrocarbons. Yiannis speaks Greek, English and Turkish.

Hubert Faustmann

Hubert Faustmann is a Professor of History and International Relations at the University of Nicosia. Additionally, he is the director of the Friedrich-Ebert-Stiftung Cyprus. He is an expert on British colonial Cyprus and post-independence Cypriot history and politics. His research also focuses on Hydrocarbon politics in the Eastern Mediterranean as well as the relationship between state and society with a focus on Political Culture, Clientelism and Political Patronage.

Stavros Stavrou

Stavros Stavrou holds a Bachelor's degree in History from the Aristotle University of Thessaloniki, a Master's degree in International Relations from the University of Warwick and a Master's in Industrial and Employment Relations from International Training Centre of the ILO in collaboration with University of Turin. His research focuses on the employment relations of migrants and refugees, trade unions, and social inequalities.





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