

# EDITOR'S NOTE

An EU member state in the Eastern Mediterranean, at the crossroads of Europe, Asia and Africa; this is Cyprus in a nutshell. The monthly FES Cyprus Newsletter gives you a current overview of the domestic political situation and the external affairs of an island, which is far more than a divided country. Have a pleasant read!

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PODCASTS in MARCH: No podcasts in March **!** 

PODCASTS in APRIL: No podcasts in April





PUBLICATIONS in APRIL: No publications in April

EVENTS in MARCH: No events planned in March so far



EVENTS in APRIL: Friedrich-Ebert-Stiftung, Omer Gokcekus and Sertac Sonan "Launch: Corruption Perceptions in Northern Part of Cyprus" Date: Tuesday, 16<sup>th</sup> April 2024 Time: 10:30 am – 12:00 am (EEST / Cyprus time) Location: Rustem Bookshop (Nicosia)

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# CYPRUS PROBLEM & INTERCOMMUNAL RELATIONS

Following her appointment by UN Secretary General (UNSG), Antonio Guterres, as his personal envoy for the Cyprus issue and a series of meetings with the Cypriot leaders in January 2024, Maria Ángela Holguín Cuéllar visited Greece and Turkey to meet with representatives of the two guarantor powers (with the United Kingdom being the third).

On February 6, Holguín met in Athens with Prime Minister Kyriakos Mitsotakis and Foreign Minister Giorgos Gerapetritis. Following the meeting, Mitsotakis expressed Greece's support to restart Cyprus problem talks on the basis of a bizonal, bicommunal federation. On February 8, Holguín met in Ankara with Turkish Foreign Minister Hakan Fidan. Holguín is expected to visit the UK in the first week of March and to return to Cyprus mid-March.

On February 6, British High Commissioner to Cyprus, Irfan Siddiq, was served with a demarche by Cyprus' Foreign Ministry after he stated that the Turkish Cypriots need incentives to return to the negotiation table. The Turkish Cypriot side also slammed the High Commissioner for the same interview.

On February 7, House President Annita Demetriou met with delegations of two Turkish Cypriot political parties, the CTP and the TDP, as well as former Turkish Cypriot Leader Mustafa Akıncı. Discussions focused on current developments regarding the Cyprus problem and the prospects for the resumption of a meaningful dialogue, in light of Holguín's contacts in Cyprus, Greece, and Ankara.

<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, 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 On February 8, Akan Kursat, a Turkish Cypriot lawyer who was arrested on a European arrest warrant in Rome on December 30, was extradited to Cyprus. The warrant was issued for his alleged link to the British con man and drug dealer Gary Robb, who had swindled millions of pounds out of prospective Brits who wanted to buy property in the north in 2004-2005. The following day, Kursat was released by the Greek Cypriot court on bail pending trial on February 29. The head of the Turkish Cypriot Bar Association Hasan Esendağli, who represented Kursat, gave a press conference regarding the issue, where he said, among other things: "Upon careful examination of the indictment and the alleged acts, it is evident that they do not constitute a crime within the legal frameworks of either side of the island.... The attempt to criminalize acts carried out within the territories of north Cyprus, over which the Greek Cypriot administration holds no jurisdiction or sovereignty, is both legally and morally untenable. Such actions not only endanger the rights of Turkish Cypriots but also escalate tensions between the two sides.... Resorting to legal instruments that target Turkish Cypriots individually, particularly concerning property disputes, undermines the principles of justice and fairness." Eventually, on February 29, the attorney-general ordered that the trial be suspended since the key witness in the case had died. The court heard that the legal service learned of the witness' death on February 19 and that there is no testimony against Kursat.

On February 9, Tahsin Ertuğruloğlu, the foreign minister in TRNC,<sup>1</sup> stated that the north has no expectations from Holguín's appointment. Ertuğruloğlu made the comments while in Ankara and after meet-

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).

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ing with Fidan. Ertuğruloğlu stated that he and Fidan had evaluated the Cyprus problem and other developments in the Eastern Mediterranean. He added that they agreed that a two-state solution is the only possible solution to the issue.

From February 11 to 13, German President Frank-Walter Steinmeier visited Cyprus as part of an official visit, the first of a German President since the establishment of diplomatic relations between the two countries. Steinmeier met with Christodoulides and visited Nicosia City Hall, the Green Line, the anthropological laboratory of the Committee on Missing Persons ("CMP"), as well as with UNFICYP peacekeepers. The German President announced that German police officers would be sent to Cyprus to join UNFICYP for the first time within the coming months. On the Cyprus problem, he said Germany and other countries will support the UN's efforts.

On February 12, following a meeting with the UNSG in New York, Gerapetritis stated that Greece will exhaust every possibility so that there can be positive developments on the Cyprus problem.

On February 18, eight Turkish Cypriots in their 20s were reportedly attacked by a group of "Greek-speaking people" with sticks and stones in a park where they had stopped to take photos on their way home from an excursion in the Troodos mountain range. Although it made front-page news in the north, the Greek Cypriot police said that they received no information regarding the issue. However, a statement from a group called Far Right Watch Cy said: "A second attack against Turkish Cypriots by Greek Cypriot nationalists has been recorded within a few months, with the government and the political sphere turning a blind eye to the phenomenon and its serious consequences.... The unchecked dissemination of racist rhetoric by public figures over the past decade, the consistent policy of prosecution refusal to pursue charges against public figures,

and the government's indifference to tackle the phenomenon with decisive measures have first led to violence against migrants and refugees and now, for the second time in the last six months, against Turkish Cypriots." In a response to a statement from the Greek Cypriot police that they had received no complaint regarding the alleged attack, Far Right Watch Cy added: "Who can blame the Turkish Cypriots who did not go to a Greek Cypriot police station to report the incident?" The group also recalled the attack on a Turkish Cypriot woman last summer, adding: "In the case of the attack against the Turkish Cypriot woman in Ayia Napa, the Greek Cypriot justice system disregarded the racist motive and deliberately avoided the charge of a hate crime".

On February 27, Turkish Cypriot leader Ersin Tatar received the Director-General for Structural Reform Support of the European Commission, Mario Nava. According to the statement from Tatar's office, the meeting addressed a cooperation proposal to alleviate congestion at the Metehan (Ayios Dometios) crossing point, and to open a new crossing point at Haspolat (Mia Milia), which will be dedicated solely to commercial activities. Additionally, discussions involved efforts towards enabling bank transfers between the two sides, the feasibility studies for the establishment of a solar energy plant in the buffer zone (please see below), overcoming trade issues between the two sides, and combating yield losses in agricultural products. Furthermore, the enhancement of bilateral relations between the EU and the TRNC was also discussed during the meeting.

The results of the feasibility study, supported by the European Union, on the installation of the power plant in the buffer zone, which will be the first on the island, were discussed at a meeting with representatives of both communities, chaired by Mario Nava. According to a statement released by the European Commission, Nava pointed out that the project in question has great potential. He noted that the pro-

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ject could bring the two communities closer together, promote greater cooperation on energy and help achieve the EU's "Green Deal" objectives. "This project comes at a time when the new UN representative is looking for common ground between the two communities. I therefore encourage the communities to agree on all the details as soon as possible so that the project can move to the next stage," Nava added. On February 29, an NGO called the Mixed Marriage Problem Solution Movement welcomed news in daily Politis that the migration department granted 14 citizenships to Turkish Cypriots who have a Turkish parent and a Turkish Cypriot parent. The move was part of 14 measures announced in January 2024 to bring the Turkish Cypriot community closer to the Republic of Cyprus.

### **HYDROCARBONS**

On February 8, Egypt's Foreign Minister Sameh Shoukry met with Foreign Minister Constantinos Kombos in Nicosia, where they highlighted bilateral cooperation in the energy sector. Kombos underscored that the transportation of natural gas from Cyprus' Exclusive Economic Zone ("EEZ") to Egypt for liquefaction remains a core option for the involved companies.

In an interview with Reuters, Energy Minister George Papanastasiou stated that Cyprus could start producing its first natural gas as soon as 2026 or early 2027. Although Cyprus reported its first offshore gas discovery in 2011, Papanastasiou stated one of the newer discoveries of 2022, by a partnership of Italy's ENI and France's TOTAL, is likely to be developed first. The project, known as Cronos, has an estimated 2.5 trillion cubic feet (tcf) of gas. The gas will likely be delivered to ENI's Zohr facilities in Egypt.

The government is in a dispute with CPP-METRON CONSORTIUM LTD ("CMC"), the Chinese-led con-

sortium contracted to build the liquefied natural gas (LNG) terminal. The contractor paused construction works citing that an October 2023 invoice had not been paid on time. The government refuted this, saying they did pay on time as stipulated by the terms of the contract. The Cyprus Mail reported that the crux of the matter is that the contractor had underestimated the cost of the jetty. Reportedly, the rising price of steel and other materials. with steel being a major component of the jetty, may partly explain how the €70m gradually ballooned to €200m, which the consortium is claiming from the Republic of Cyprus in arbitration proceedings in a London court. Papanastasiou said in parliament that the infrastructures on land are just 45% to 50% complete, while the floating, regasification and storage unit (FSRU) is 95% ready. Meanwhile the FSRU vessel is still in a port in China awaiting seaworthiness certification before Cyprus can take formal delivery of it. The FSRU which will dock at a jetty at Vasiliko, will convert the liquefied gas on board into its gaseous form, which will then be fed into pipelines connected to power stations within a 5km radius. These would include the Vasiliko power plant as well as a private station owned by Power Energy Cyprus (PEC).

### **GREEK CYPRIOTS**

#### **Gender Developments**

On February 12, the House Human Rights Committee discussed the National Strategy on gender. A representative from the Transport Ministry told the committee that, before 2025, female (and possibly children) figures will also be placed on crossing signals. A representative of the Finance Ministry said that the most important of the six actions in their portfolio was gender mainstreaming in their state policies in the form of gender budgeting. Final approval from an EU support mechanism is expected next month to formulate the gender budget of €470k. The programme will last for 30 months and

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is expected to start in June 2024 and end in 2026. Also attending the meeting, a representative from the Labour Ministry said that there are five actions to run, including increasing the length of maternity leave from 18 to 22 weeks.

According to a survey carried out by Swedish business website FINANSVALP and released on February 26, Cyprus is the second-worst country in the EU regarding workplace gender equality. Cyprus' score for gender-equal workplace was 14.62 out of 50, higher than only Hungary. The survey considered five parameters: the percentage of seats held by women in national parliaments; the percentage of seats held by women in national governments; the percentage of female board members; the percentage of female executives; and the percentage in median income between men and women. Cyprus currently has just eight female MPs, a figure which works out at 14.3% of all MPs. This figure is the second-lowest percentage in the EU, only marginally higher than lowest scorer Hungary's percentage of 14.1%. Cyprus also has the lowest proportion of female board members of any EU member state and is the only EU member state in which less than 10% of the country's board members are female, at just 8.2%. The island ranks joint 18th with Sweden in terms of its gender pay gap, with a 6.08% difference between Cyprus' male and female median annual incomes.

On February 29, Ombudswoman Maria Stylianou Lottides ordered disciplinary proceedings against a male employee at the Nicosia Water Board after three women who work there reported him for sexual harassment. She ordered the board to establish a committee on equality and to implement measures to address sexual harassment in accordance with the code of conduct. The ombudswoman also underlined that in view of the new legislative framework being drafted in the context of local government reform, gender harassment and sexual harassment should be considered separate disciplinary offences. On February 29, The House Health Committee urged that regulations for breastfeeding need to be established by parliament soon, following complaints that women were having their pay docked for taking breaks to feed their children. The committee learned that a law was passed in 2018, but regulations to provide breastfeeding facilities in workplaces, both public and private, have not been established since then.

# Economic Developments in Times of Green Transition

On February 8, Transport Minister Alexis Vafeades announced the commencement of the third electric vehicle subsidy scheme boasting a budget of €36.5m. The purpose of the scheme is to promote vehicles with zero or low CO2 emissions, as well as alternative modes of transportation, beyond car use. Vafeades highlighted that this initiative aims to mitigate the environmental impact of transportation, particularly by reducing CO2 emissions and air pollutants.

The Cabinet of Ministers, led by Deputy Minister of Shipping Marina Hadjimanoli, approved updated green incentives for the Cypriot shipping sector in 2024, in line with the European Green Deal. The EU's Green Deal refers to a set of policy initiatives by the European Commission, with the long-term objective of making the European Union climate neutral by the year 2050. In terms of the incentives approved by the Cabinet, measures included a potential 30% reduction in annual tonnage tax, aimed to reward vessels achieving significant greenhouse gas emission reductions.

The government's 'Photovoltaics for All' plan was set to be implemented at the end of February. The plan was set to allow solar panels to be installed on the roofs of households which do not have the means to pay for them outright. Payment for the panels will subsequently be made via consumers' electricity

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#### bills. Payments will be made over a period of four or five years in bimonthly instalments of $\in$ 150, while it is believed the presence of solar panels can reduce the cost of a bimonthly electricity bill by as much as $\in$ 260, thus allowing consumers to immediately begin making savings. In addition, the government is offering grants of up to $\in$ 1k for the installation of the solar panels, at the rate of $\in$ 250 per kilowatt. The government has allocated a total budget of $\in$ 30m for the first year of the scheme.

On February 29, the Vice President of the European Investment Bank (EIB), Kyriacos Kakouris, confirmed that the EIB's stance on the Great Sea Interconnector, the electrical interconnection project between Cyprus, Greece, and Israel, remains negative. Kakouris also stated that no new funding request for the project has been submitted by the Republic of Cyprus. The Minister of Energy, George Papastasiou, had disclosed that the government of Cyprus intends to participate in the project with a capital injection of €100m. However, the execution of a due diligence report is pending. The project had previously received a positive evaluation from an international consultancy firm, according to a report by the Cyprus News Agency (CNA). Kakouris stated that to reconsider funding this project, the Republic of Cyprus must submit a request. Pilar Solano, director of the EIB for Central and Southeastern Europe, stated that supporting the modernisation of the electrical network is a priority for the EIB. She stressed the importance of upgrading the transmission and distribution networks for a successful green transition.

According to the preliminary financial results released on February 29 by the Cyprus Statistical Service (Cystat), Cyprus recorded a surplus of  $\in$ 876.3m during the entirety of 2023. In terms of a percentage of GDP, this amount represents a 2.9% increase when compared to the  $\in$ 676.3m surplus reported for the same period in 2022, which represented

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2.4% of GDP. In addition, a report released by Cystat outlined that the Cypriot economy grew by 2.1% in 4Q 2023, compared to a growth rate of 2.3% recorded in the corresponding quarter of 2022.

#### **Domestic Developments**

On February 12, Marios Pelekanos resigned as vice chairman of DISY, two days after failing to be selected as the party's candidate for June's European Parliament elections. However, the party's remaining leadership have indicated they will not accept his resignation. Should Pelekanos not have second thoughts, DISY members will move to elect a new vice chairman.

# Future of Work, Labour Relations & Trade Unions

Approximately 25,000 low-wage workers have benefited from the implementation of the new governmental decree that increased the National Minimum Wage from €885 to €900 and from €940 to €1000 after six months of continuous employment. On February 1, the Ministry of Labour and Social Insurance announced that in order to monitor the effective implementation of the provisions of the decree it will conduct workplace inspections, analyse the data provided by the social insurance and investigate complaints. At the same time, the Ministry stated its readiness to utilize provisions of relevant legislation, including imposing fines of €250 per employee, criminal prosecution with a maximum penalty of €5000, alongside the obligations to settle accrued amounts.

On February 1, the Pancyprian Federation of Labour (PEO), Cyprus' Employees Confederation (SEK), and Democratic Labour Federation of Cyprus (DEOK) expressed concerns about the employment strategy for Third Country Nationals (TCNs). They criticized the lack of transparency and comprehensive regulation in TCN. Trade unions further noted that the government bypasses social dialogue and issues work permits without taking into consideration the posi-

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tions of the trade unions. They demand that work permits for foreigners are granted only in economic sectors and professions where it is proved that they cannot be covered by the local workforce. Additionally, they demand the establishment of criteria and regulations concerning the living conditions for TCN workers in order to avoid phenomena of exploitation.

On February 2, Minister of Labour and Social Insurance Yiannis Panagiotou met with the European Commissioner for Jobs and Social Rights, Nicolas Schmit, the Head of the European Commission in Cyprus, Myrto Zambarta, and the social partners. The importance of social dialogue as both an integral part of the European social model and a tool for the formation of national labour policies was highlighted. Furthermore, during the meeting Mr. Schmit urged social partners and the government to promote collective agreements, which have been weakened in recent years.

On February 5, the Ministry of Labour and Social Insurance acknowledged the negative socio-economic impact of the gender pay gap and reaffirmed its commitment to achieving substantial gender equality at work. The announcement further highlighted the EU's adoption of a directive promoting salary transparency in 2023 which is expected to support employees in claiming their right to equal pay and ensure the implementation of the right to "equal pay for equal work and work of equal value".

Efforts continue to avoid a deadlock in negotiations for the renewal of the collective agreement in the construction industry, which has been pending since May 2022. Trade unions are pushing for hiring wages to be included in the law to curb unfair competition among construction companies and they are demanding full restoration of salaries that had been cut in 2013. Construction companies advocate for maintaining existing collective agreements without changes to salaries and propose extending daily working hours from 7.5 to 8.

On February 8, Cypriot farmers protested in solidarity with the mobilization taking place in various European countries, calling for the postponement of the "anti-agricultural" policies. In the memorandum submitted to the president of the European Commission, it is further noted that the agricultural workers are in favour of green transition and development without increasing the cost of production. Following the protest, Cypriot farmers representatives met with the Minister of Agriculture, Rural Development and the Environment at the presidential palace. The Minister committed to engage in ongoing social dialogue on a weekly basis with the goal to prepare suggestions for the president by the end of March.

On February 9, workers at Larnaca port went on a spontaneous strike over management behavioural issues; the hiring of external partners to carry out the work of existing employees; and, according to the strikers, because the company wants to fire workers without a substantial reason. In addition, the workers claim that the port management company does not respect the collective agreements. Note that, in 2023, port workers went on a strike demanding regulating their work through collective agreements which was finally settled on 31 May 2023. On the same day, approximately at 19:00, the workers' representatives and employer reached an agreement.

On February 13, Driving School Associations announced a work stoppage for the February 15 due to the lack of intention of the Ministry of Transport, Communications and Works to hear their concerns regarding amendments to the law. Finally, the work stoppage was suspended after assurances the bill would be withdrawn.

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On February 19, the Labour Advisory Body discussed the increasing need for workers, increasing maternity leave from 18 to 22 weeks, and the actuarial reduction for early retirement. During the meeting, trade unions presented evidence from complaints they received indicating the violation of the existing criteria for the employment of TCNs. The employers' representative stated that they were isolated incidents. The minister expressed his optimism for resolution through social dialogue.

On February 21, the Cabinet approved the bill prepared by the Ministry of Labour and Social Insurance to increase maternity leave. The Minister stated that the bill will be immediately submitted to Parliament for a vote. More specifically, the bill provides for an increase in the duration of maternity leave from 18 to 22 weeks for the first child through birth or surrogacy and from 16 to 20 weeks when having the first child through adoption. Additionally, there is also a provision for additional maternity leave if the infant is hospitalized after birth, from 6 to 8 weeks.

On February 23, Cyprus University of Technology (CUT or TEPAK) students and the Union of Academic Staff of Cyprus University of Technology (SAP-TEPAK) went on a symbolic protest against budget cuts, as well as for the University's autonomy. As reported by SAP-TEPAK and the students, their goal is to "communicate to all directions their determination to defend Public Higher Education".

On February 27, staff of private kindergartens went on strike. According to the Association of Private Preschool Education of Cyprus, the Ministry of Education initially included private nurseries and kindergartens in the expansion of compulsory preschool education but then decided to limit it to the public. The Ministry decided to allocate €127m to construct new or expand existing schools and to hire additional staff, leaving the private sector without support. Annually, the Department of Labour Inspection of the Ministry of Labour and Social Insurance conducts inspections at over 7,000 workplaces across diverse economic sectors. In 2023, 748 complaints were filed regarding undeclared and illegal work, as well as issues concerning employment conditions. A significant reduction in undeclared work has been observed, dropping from 14% in 2017 to 6% in 2023 according to the available statistics.

### TURKISH CYPRIOTS

# Economic Developments in Times of Green Transition

According to the Statistical Institute, the consumer price index was 85.7% higher in February 2024 compared to February 2023. Consumer prices had risen by 4.6% in February alone. The monthly food inflation reached 9%. The second highest monthly inflation was in the "miscellaneous goods and services" segment where an increase of 7.1% was recorded.

According to the tourism statistics released by the Ministry of Tourism, the number of arrivals via air and seaports (excluding TRNC citizens) went up from 1.42 million in 2022 to 1.85 million in 2023: a 31% increase. There was an increase of 36.3% in the number of Turkish citizens, and an 11.5% rise in the number of other foreign nationals. The arrivals from Iran and Russia went up remarkably: the number of Iranians increased from 31,450 to 40,848, while the number of Russians rose from 32,442 to 49,235. The third biggest group was Germans, with 29,842 arrivals. On the other hand, arrivals from African countries, mainly those who come as university students, decreased significantly: The number of passengers arriving from Nigeria, which was 12,842 in 2022, decreased to 5,133 in 2023. The number of arrivals from the Democratic Republic of Congo also fell from 4,185 to 1,330.

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The number of arrivals (including Greek Cypriots) via crossing points also went up by 11.6%, from 4,672,126 in 2022 to 5,211,977 in 2023. The figure for Greek Cypriots alone rose from 2,835,496 to 3,063,408, an increase of 8%. The two biggest groups who used the crossing points to visit the northern part of the island were the citizens of the UK (292,998) and Greece (272,877). There were also 47,369 UK citizens of Turkish Cypriot descent who used the crossing points. In a similar vein, the number of overnight stays by foreigners (including Greek Cypriots and excluding Turks) increased by 2% from 1,389,044 in 2022 to 1,417,319; the figure including Turkish citizens reached 3,967,416. The occupancy rate at touristic facilities also went up by 4% to reach 44.4%.

#### **Domestic Developments**

On February 25, the Social Democratic Party (TDP) elected its new leader. Zeki Çeler was elected unopposed replacing Mine Atlı, who did not seek re-election. New members of the party assembly were also elected at the congress. "TDP has always vowed to clean up politics," Çeler said after his election. "The TDP is ready to bring justice, and clean and honest politics to the country". On the Cyprus issue, Çeler said his party will continue to support a solution based on United Nations' parameters. Celer served as a member of parliament representing Kyrenia between 2013 and 2022; during this period, he also served a short stint as the Minister of Labour and Social Security. The TDP failed to clear the 5% threshold to enter the Parliament in the last general election held in January 2022. Subsequently, Çeler ran as an independent for the mayor of Kyrenia in the local elections held in December 2022, and managed to garner almost 32% of the votes, coming in a close third behind the candidates of the two main parties UBP (32.3%) and CTP (34.3%).

According to a report by Esra Aygin in the Cyprus Mail on February 18, a fake diploma and fraud scan-

dal at a Turkish Cypriot university reignited the debate on the problems in the Turkish Cypriot higher education sector. Three officials of KSTBU (Cyprus Health and Social Sciences University), based in Morphou (Güzelyurt), and a senior civil servant were arrested in mid-February after the owners of the university went to the police following an internal audit that revealed embezzlement and fraud through fake student registrations and fake diplomas. The university is owned by a Turkish citizen, who is a member of parliament in Turkey from the National Movement Party (MHP). The university's secretary-general, a vice-rector, and the head of the international student's office are being charged with larceny, forgery of documents, and circulation of forged documents. The head of the Turkish Cypriot registrar of cooperative companies, who, it turned out, has a fake graduate and a postgraduate diploma from the university, has been charged with forgery of documents, circulation of forged documents, and eliciting funds through fraud. The registrar presented his fake diplomas to get promotions and pay rises in civil service. He resigned from his position following the scandal. KSTBU, in an official statement following the arrests, said the fake diplomas are just the tip of a huge iceberg of misconduct, embezzlement, fraud, and forgery at the university involving tens of millions of dollars. "The university will support the police investigation until all the crimes have been established," the statement said. In October 2023, the rector and a student affairs staffer of another university, Ada Kent University (City Island), were arrested for stealing tuition fees worth more than TL12m (about €363 thousand). The higher education sector in the north, which is one of the main engines of the Turkish Cypriot economy, has grown exponentially in the last two decades as the focus has been on opening as many universities and enrolling as many students as possible. Furthermore, easy student visas have turned universities into a backdoor to enter the country. Many of these universities are accused of being a vehicle for human

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trafficking and smuggling. Aygin quoted United Nations High Commissioner for Refugees (UNHCR) communications officer Emilia Strovolidou saying, "For years the vast majority of the asylum seekers in the Republic of Cyprus were arriving via the north". She explained that, as of 2020, increased numbers of refugees and migrants from Africa and Asia arrive by air in the north on student visas. In recent months, however, the Cyprus interior ministry said that arrivals via the Green Line have fallen sharply thanks to a crackdown by Turkish authorities.

Later in the month, Kemal Durust, a former minister and the president of the board of trustees of KSTBU, was also arrested for his part in the scandal. Durust's wife, who is the director of the Ministry of Labour, was also arrested for using a fake diploma to get a promotion.

# Future of Work, Labour Relations & Trade Unions

On February 7, Hur-Is Federation president Ahmet Serdaroğlu issued a written statement in which he criticized the Statistical Institute for understating the inflation rate in January. Pointing out that the Statistics Institute is under the Prime Minister's office, Serdaroğlu said that the January inflation figure is a "joke", citing the rising cost of basic food items such as meat, milk, and bread. He added that accurate data could only be obtained if the Statistical Institute was an independent institution. Increases in the minimum wage as well as public sector wages are typically based on the official CPI rates, meaning that lower inflation figures lead to lower pay rises.

According to the report of Turkish Cypriot weekly Cyprus Today, in response to speculations about the number of Turkish Cypriot employees working in the southern part of the island, Arslan Bıçaklı of the Turk-Sen federation stated that the actual number of Turkish Cypriot employees is approximately 2,500-3,000. He added that Turkish Cypriots are primarily engaged in the tourism and construction sectors. He added that this figure fluctuates due to the seasonal character of these sectors. Biçakli attributed the preference of Turkish Cypriots for employment in the south to the substantial wage difference. He indicated that the minimum monthly wage for employees in the south is €1,000, potentially rising to €1,500 depending on the profession. Furthermore, pointing out that all Turkish Cypriots working in the south are unionized, he stressed that the collective bargaining agreements ensure job security for employees.

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### 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.

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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 focus on the employment relations of migrants and refugees, trade unions, and social inequalities.

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Layout: Stadtformat Einig & Kazmierczak GbR

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