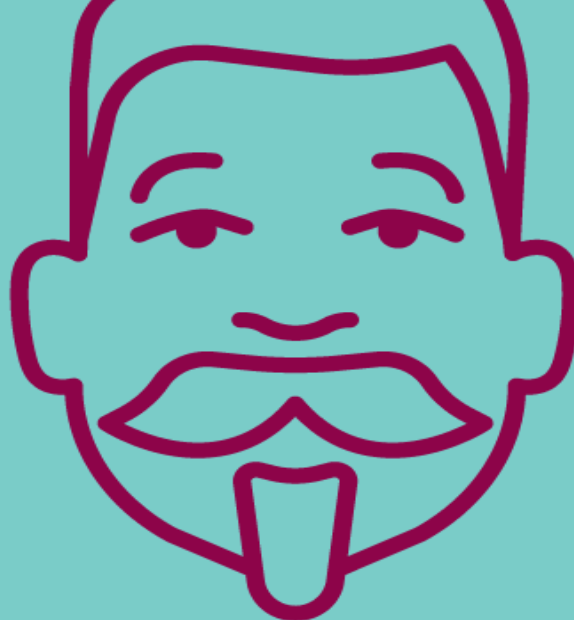




May and June 2026

FES Cyprus Newsletter No. 160

Headlines

- UNSG personal envoy engages in another round of shuttle diplomacy to prepare the ground for an enlarged meeting on the Cyprus problem.
- Anti-Corruption Authority finds potential criminal liability for former Greek Cypriot President Nicos Anastasiades in relation allegations in the book *Mafia State*, published by Makarios Droushiotis.
- Police find no evidence supporting “Sandy case” allegations made public by Makarios Droushiotis.
- ELAM doubles seats in parliamentary elections while DISY remains largest party; Smaller parties supporting President Nicos Christodoulides exit the Parliament.
- A controversial amendment to the Turkish Cypriot Criminal Procedure Law sparked debate over privacy rights and press freedom.
- Turkish Energy Minister Alparslan Bayraktar announced plans for a submarine electricity link and a 97-km natural gas pipeline connecting Turkey to northern Cyprus.

Editors 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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Cyprus Problem and Intercommunal Relations

Following her January 2026 visit to Cyprus, the United Nations Secretary-General's Personal Envoy María Ángela Holguín returned to the island in June for another round of talks with key stakeholders in the Cyprus problem, aimed at preparing the ground for the next enlarged meeting.

On June 8, Holguín held separate meetings with the respective Greek Cypriot and Turkish Cypriot leaders Nikos Christodoulides and Tufan Erhürman,¹ where they discussed both the substance of the Cyprus problem and confidence-building measures. Following his meeting with Holguín, Erhürman said any enlarged meeting must have clear objectives, defined content, and proper preparation to produce meaningful results. He reiterated support for a three-stage process covering confidence-building measures in Nicosia, agreement on the negotiation framework and procedures, and then a transition to comprehensive talks. He stated that efforts under way extend beyond confidence building measures to the core issues of the Cyprus problem. Erhürman reiterated his preconditions for renewed talks involving political equality, clear start and end dates, reaffirmation of previous convergences, and no return to the status quo if Greek Cypriots withdraw from the negotiations. Christodoulides expressed cautious optimism, saying the aim is to convene an expanded meeting that would restart substantive negotiations from where they left off. He also confirmed that talks with Holguín would focus on core aspects of the Cyprus issue.

On June 15, the United Nations Secretary-General António Guterres and Turkish President Recep Tayyip Erdoğan held a telephone call to discuss the Cyprus problem, among other geopolitical developments. The call took place just hours after Holguín and Turkish Foreign Minister Hakan Fidan held a meeting in Ankara. On June 17 Holguín also met with Greek Foreign Minister Giorgos Gerapetritis in Athens, completing her latest round of contacts for the month of June. Initially, Holguín had planned to meet European Council President António Costa in Brussels, but postponed the visit until after the NATO leaders' summit, which will be held in Ankara in early July. Holguín is expected to visit Brussels on July 13 while the enlarged meeting involving the island's two sides; its three guarantor powers, Greece, Turkey, and the United Kingdom; as well as the UN is expected to take place sometime in August.

Meanwhile Greek Cypriot newspaper Politis reported that Holguín had presented a "looser" solution to the Cyprus

problem, with two constituent states in a structure wherein the island's central government would retain only necessary competences so that the new state can function internationally, within the European Union, and institutionally. Reportedly, the central government would be led by a presidential council of the two communities' leaders, with a cabinet consisting of only five or six ministers, dealing with foreign affairs, defense, internal affairs, finance, and European affairs. Guarantees would be offered in the form of the new Cypriot republic's accession to NATO, alongside the presence of NATO troops from Turkey, Greece, France, the United Kingdom, and the United States on the island. The solution would reportedly be implemented over a period of two or three years, with territory being ceded by the Turkish Cypriots during that period, in return for the Turkish Cypriot side being allowed direct trade, direct contact, and direct flights to Ercan (Tymbou) airport.

On June 6, the Cyprus Mail, citing high-level sources, reported that Erdoğan had expressed a positive view regarding the prospect of a new initiative, and that Turkey was willing to engage in negotiations to solve the Cyprus problem should it believe that there was the "requisite will" for a solution on the part of the Greek Cypriot side. Reportedly, Erdoğan believes that the lack of a solution to the Cyprus problem has "unduly cost Turkey" and that through a mutually beneficial solution, the country would be able to deepen its engagement with both Europe and the wider region, without the Cyprus problem being an obstacle.

On May 8, Erhürman and Christodoulides agreed to prepare a plan for religious services across the island, to be drafted over six months and then be reviewed. They also agreed to coordinate on foot-and-mouth disease, which has affected more than 100 farms, establish a civil society consultative body, and create a sub-committee under the bicomunal technical committee on economic and commercial matters.

Speaking at an EU policy forum on May 12, marking 20 years of the EU Aid Programme for the Turkish Cypriot community, the UNSG's special representative in Cyprus Khassim Diagne said the United Nations remained committed to facilitating a Cyprus-led and Cyprus-owned negotiation process aimed at a comprehensive settlement. Diagne stated that limited but meaningful progress had been recorded in recent months on the Cyprus problem. He added that the UN Peacekeeping Force in Cyprus (UNFICYP) would continue to work closely with both sides to maintain calm and stability in and around the buffer zone and to minimize incidents that could distract from the broader political process.

Hydrocarbons

On May 19, Cyprus approved the development and production plan for the Kronos gas field, which is located in Block 6 of Cyprus' Exclusive Economic Zone (EEZ). Given the

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

proximity of the Kronos field and Block 6 to Egypt's Zohr gas field, which Italy's ENI also operates, ENI will be able to use its own infrastructure to take the Cypriot natural gas to the Segas liquefied natural gas (LNG) terminal in the Egyptian port city of Damietta, and export the gas to Europe. A final investment decision from the consortium comprising French multinational corporation TOTAL and ENI over Block 6 is still pending. Cyprus aspires to sell the first Cypriot natural gas to Europe through Egypt by 2028.

Greek Cypriots

Gender Developments

On June 22, the Association for the Prevention and Handling of Violence in the Family (Spavo) presented its annual report according to which cases of domestic and gender-based violence increased in 2025, with incidents becoming more complex and severe. According to Spavo board President Maria Chaviara Kousiou, violence had intensified in around half of all cases (51%) during recent months, underlining the need for timely intervention and effective support for victims. Physical violence was present in 63% of cases, economic abuse in 23%, spiritual abuse and stalking in 13%, sexual violence in 8%, and online abuse in 7%.

Economic Developments in Times of Green Transition

According to estimates from Eurostat, greenhouse gas emissions in Cyprus have increased by 10.7% over the past decade, placing the island among a small group of European Union countries that have seen their output rise since 2015.

On May 12, independent power transmission operator Admie received approval to submit a request to the European Investment Bank (EIB) for the funding of a due diligence study on the Greece-Cyprus electricity interconnector (GSI) project. Energy Minister Michalis Damianos stated the GSI remains a strategic priority and has not been suspended, with future decisions to be based on updated economic data and the due diligence study expected later this year.

On June 23, the first contracts for large-scale electricity storage batteries in Cyprus were signed in an effort towards reducing renewable energy curtailments and increasing the amount of solar power that can be absorbed by the national grid. Damianos said the agreements, covering 120MW of centralised storage capacity to be managed by the transmission system operator (TSO), represented a decisive move towards addressing one of the electricity system's most persistent challenges. The €50m project is expected to see the batteries delivered in January 2027 and installed within two to three months, allowing them to enter operation by the summer of that year.

Domestic Developments

The May 24, parliamentary elections were marked by the rise of far-right ELAM party, which doubled its seats from 4 to 8 and became the third-largest party, while smaller centrist and centre-left parties backing incumbent President Nikos Christodoulides, including DIPA and EDEK, failed to win any seat in the new parliament. Centre-right DISY remained the largest party, retaining 17 seats, followed by leftist AKEL, which also retained 15 seats. Although centrist DIKO fell to fourth place, the party managed to retain 8 of the 9 seats it held before the elections. The next parliament will host fewer parties than its predecessor, with only six parties winning seats compared to the seven which won seats five years ago. Centrist DIPA, EDEK, and the Ecologists' Movement have made way for ALMA and Direct Democracy Cyprus, which took 4 seats each. Newly formed ALMA, led by Odysseas Michaelides, ran on an anti-corruption platform, while Direct Democracy was founded and led by Fidias Panayiotou, a social media personality.

In terms of vote share, DISY recorded a very minor drop, from 27.8% five years ago to 27.2%. AKEL, meanwhile recorded a slight increase from 22.3% to 23.9%. ELAM's vote share grew from 6.8% to 10.9%, while DIKO fell from 11.3% to 10%. ALMA and Direct Democracy Cyprus took 5.8% and 5.4% of the vote respectively. Socialist's EDEK failed to win any seats in parliament for the first time in the party's 57-year history, winning just 3.2% of the vote. The Hunters' Movement also received 3.2% of the vote, outperforming pre-election polling but failing to win a seat, while both DIPA and VOLT received just 3.1% of the vote. The Ecologists' Movement, which failed to win a seat for the first time since 1996 won just 2% of the vote. On June 4, DISY leader Annita Demetriou was re-elected as House president receiving the votes of 29 of the 56 members of the new parliament. The exclusion of EDEK and DIPA from parliament means that two of the three parties backing President Christodoulides are no longer represented, leaving a weakened DIKO as his sole remaining parliamentary supporter.

On June 3, the police concluded that no evidence was found to support a series of serious allegations made public by journalist Makarios Droushiotis in the "Sandy case" that involved sexual abuse, corruption, blackmail, surveillance and interference in state institutions. The police confirmed that the disputed messages and audio recordings, on which the case was based, were false and fabricated. The legal service directed further examination of potential offences connected to the creation, publication, and public dissemination of the material. The police confirmed, however, that electronic devices linked to the Sandy investigation were never sent to Europol for forensic examination, clarifying that the European agency reviewed files and findings produced by Cypriot investigators locally, rather than conducting its own analysis of the original hardware. An independent criminal investigator was not appointed to examine the allegations. Along with the allegations Droushiotis made involving corruption, he also said there

was a supposed cabal called “the Rosicrucian brotherhood”, which acted across state institutions, and that “Sandy” had disclosed apparent evidence to both himself as well as her then lawyer Nicos Clerides.

On June 16, the Anti-Corruption Authority tasked with investigating allegations contained in Droushiotis’ book *Mafia State* concluded that former president Nicos Anastasiades and others may bear criminal liability. The authority’s report recommended further investigation into a number of individuals and entities, including Anastasiades, over allegations ranging from abuse of power and influence peddling, to money laundering and perjury, including among other things:

- abuse of power regarding payments of approximately half a million euros between Focus Maritime and Rizokarpasso Shipping;
- receipt of €250k from the now-defunct Laiki Bank to support his 2013 presidential campaign;
- exerting institutional pressure on MOKAS, the police anti-money laundering unit, to investigate his namesake private company,
- influence peddling linked to the naturalisation of Russian oligarchs;
- undue abuse of power regarding the development of Turkish Cypriot-owned property in Dromolaxia, Larnaca.

The findings followed a lengthy inquiry during which investigators examined hundreds of pieces of evidence and heard testimony from scores of witnesses. Lawyer Leto Kariolou, who represented Droushiotis, called for the removal of the attorney-general Giorgos Savvides and his deputy Savvas Angelides as they were appointed to their posts by Anastasiades and that they had both previously served as ministers in his government. Anastasiades categorically denied the allegations levelled against him. The government is expected to announce the appointment of criminal investigators to examine the findings.

Cyprus EU Council Presidency

At the close of its EU Council Presidency, Cyprus leaves a results-driven record, including progress on enlargement for Ukraine, Moldova, Albania, and Montenegro, and a mature framework for the next EU budget alongside work to implement the SAFE programme, advance Military Mobility, and promote discussions on Article 42.7 of the Treaty on European Union to strengthen European independence. It also helped secure a €90bn package for Ukraine and the EU’s 20th sanctions package against Russia, and it kept the Middle East high on the EU agenda through the Nicosia summit. On migration and competitiveness, Cyprus advanced the Returns Regulation, the Pact on Migration and Asylum, the “One Europe, One Market” agenda, and Digital Omnibus simplification. Further progress on cus-

toms reform, air passenger rights, critical medicines, trade, and EU-UK electricity talks drew public praise from European leaders, including António Costa and Ursula von der Leyen.

Future of Work, Labour Relations and Trade Unions

On May 1, marches, speeches, and cultural events, organised by trade unions, took place across Cyprus in all major cities. The events emphasised the protection of workers’ rights, fair working conditions, and social justice. The Pan-cyprian Federation of Labour (PEO) organised celebrations across several districts, while the Cyprus Workers’ Confederation (SEK) held its central event in Nicosia with the participation of senior government officials. Greek Cypriot and Turkish Cypriot trade unions also held a joint bicomunal Labour Day event, reaffirming their commitment to workers’ solidarity and cooperation across the island.

The Cyprus Employers and Industrialists Federation (OEB) participated in a technical committee of the International Labour Organization (ILO) in Geneva on the impact of artificial intelligence in the manufacturing sector. OEB advocated for a balanced and pragmatic approach to AI adoption that safeguards business competitiveness while supporting workforce upskilling and the smooth adaptation of workers to technological change. The committee’s discussions focused on AI’s implications for productivity, employment, skills, and working conditions, with the final recommendations highlighting the importance of coherent AI policies, lifelong learning, social dialogue, SME support, digital infrastructure, data protection, and inclusive digital transformation.

The Ministry of Labour and Social Insurance launched a nationwide inspection campaign throughout May to combat undeclared work and ensure compliance with labour legislation. Inspections focused on employment conditions, including wages and working hours, while reminding employers of the administrative fines applicable for undeclared employment.

On May 13, PEO presented the findings of a new survey on public perceptions of the trade union movement in Cyprus, highlighting continued support for organised labour despite declining union membership. The survey found that 85% of union members and 65% of non-members believe trade unions remain essential for ensuring fair working conditions. Respondents identified the protection of labour rights, collective bargaining, and better wages as the main benefits of unionisation, while declining membership was attributed to limited engagement among younger workers, employer resistance, and concerns over unions’ effectiveness. The findings also suggest that trade unions need to modernise their communication, engage better with younger workers, and demonstrate tangible benefits to strengthen their role in the changing labour market.

On May 22, trade union ISOTITA staged a 24-hour strike demanding the withdrawal of disciplinary proceedings

against union representative Giorgos Maltezos and the initiation of dialogue over newly introduced operational protocols in Cyprus' prisons. The union also raised concerns over chronic understaffing, prison overcrowding, staff safety, and what it described as the increasing militarisation of the prison service. Union representatives warned that, unless negotiations begin, they are prepared to escalate industrial action, including the possibility of further disruption to prison operations.

On May 25, forestry firefighters employed by the Department of Forests initially announced a 48-hour strike over alleged violations of their agreed service scheme. According to the unions SEK, PEO, and DEOK, the changes undermine operational readiness for wildfire response, pose risks to firefighters' safety, and fail to implement previously agreed compensation arrangements for personnel responsible for heavy firefighting vehicles. However, the industrial action was cancelled after the unions and the department reached an agreement to implement the agreed terms of employment and the service scheme. The parties also agreed to continue dialogue in October to address outstanding issues.

On June 2, during a session of the Workers' Group of the European Economic and Social Committee held in Nicosia as part of the Cyprus Presidency of the Council of the European Union, experts warned that Cyprus is expected to be among the countries most severely affected by climate change, particularly in relation to vulnerable households and workers. Discussions highlighted the impact of rising temperatures on labour productivity, with estimates indicating a 2–3% decline in productivity for every degree above 20°C, especially for outdoor workers. Participants also stressed the importance of investing in climate adaptation, noting that the long-term economic costs of inaction would significantly outweigh the investments required to protect workers, public health, and economic resilience.

From 9 to 11 June, the Minister of Labour and Social Insurance led the Cypriot delegation at the 114th International Labour Conference in Geneva. During the conference, he addressed the plenary on the role of artificial intelligence in promoting decent work and held a bilateral meeting with Director-General Gilbert Houngbo.

On 11 June, the Ministry of Finance announced proposed reforms to the recruitment process for entry-level positions in the public service. Under the proposed legislation, written examinations will no longer be held before vacancies are announced but will instead take place after job openings are published, allowing candidates to apply for specific positions that match their qualifications. As part of the transition to the new system, no written examinations will be held in 2026 for positions to be advertised in 2027, subject to the approval of the relevant legislation by Parliament.

On June 12, 2026, at its 114th session in Geneva, the ILO officially adopted Convention No. 193 concerning Decent Work in the Platform Economy. Marking a historic milestone as the first legally binding international treaty for the gig economy, this landmark framework addresses the rapid global rise of digital labour platforms. The convention establishes vital safeguards against worker misclassification, mandates algorithmic transparency, and extends essential rights, such as occupational safety, minimum pay, and collective bargaining access, to app-based and freelance workers worldwide.

The Ministry of Labour and Social Insurance submitted a bill to Parliament proposing a cap on administrative penalty increases for undeclared work. Under the proposed amendment, late-payment surcharges would be limited so that the total penalty cannot exceed twice the original fine, replacing a system that currently adds €50 per day for delayed payment. The reform aims to address the disproportionate accumulation of debts, which have risen to €65.6 million since 2017, while maintaining enforcement against undeclared employment and improving the recoverability of outstanding fines.

On 24 June, hourly-paid government employees across Cyprus staged a 24-hour nationwide strike as negotiations continued over the renewal of the 2025–2027 collective agreement. Organised by the SEK, PEO and DEOK, the strike sought wage increases and improved employment conditions with retroactive effect from 1 January 2025. The industrial action disrupted a number of public services, including beach lifeguard coverage and support services in public hospitals, although emergency healthcare services continued to operate with essential staff.

The Ministry of Labour and Social Insurance postponed the submission of its pension reform bill to Parliament from July to September to allow additional consultations with social partners. The proposed reform, targeted for implementation on 1 January 2027, includes changes to pension calculations, a reduction in the actuarial reduction for early retirement, additional pension credits for carers and other vulnerable groups, and reforms to the management of the Social Insurance Fund. The Ministry stated that the extended consultation period aims to build greater consensus while preserving the long-term sustainability of the pension system.

Eurostat data revealed that 31.3% of workers in Cyprus usually work on weekends, the second-highest rate in the EU, behind Greece (31.5%). The EU average stands at 21.3%. Weekend work is most common in service and sales occupations, agriculture, and elementary occupations, while self-employed workers are considerably more likely to work weekends than employees. The findings underscore the widespread prevalence of non-standard working patterns in Cyprus compared with the rest of the European Union.

Turkish Cypriots

Gender Developments

The 2026 Pride March was held in northern Nicosia on May 17 as part of a series of events organised by the May 17 Organising Committee between May 6 and 22. The march began in front of the Suitex building on Mehmet Akif Avenue, just outside the Venetian city walls, proceeded into the historic walled city, and concluded with a gathering on Zahra Street, which runs parallel to the UN-controlled Green Line.

Held under the theme “Love at Home, Love in the World”, the march promoted equality, human rights, and inclusion while drawing attention to the challenges faced by LGBTQ+ individuals in the north, including the lack of legal recognition of gender identity and legal protections against discrimination. Organisers also expressed concern over the rise of far-right politics and increasing polarisation, arguing that these trends pose broader threats to human rights.

Economic Developments in Times of Green Transition

On May 11, the Turkish Cypriot Council of Ministers introduced a decree revising the rules governing foreign ownership of immovable property. The new framework limits foreign individuals and companies to purchasing one house on up to 1,338 square meters of land, three apartment units, or one detached house on plots of up to 3,300 square meters, while allowing the purchase of two two-story villas in housing developments. Citizens of countries recognising the north and granting reciprocal property rights may acquire up to six apartments or three villas. The decree also introduced stricter investment requirements, including a minimum €10 million investment for foreign investors in sectors such as tourism, education, healthcare, industry, agriculture, technology, and R&D, alongside a new licensed intermediary investor system. Additionally, a 10-year usage-right mechanism was created for certain properties exceeding ownership limits, and a six-month transition period was established for registering existing property sales contracts.

The Turkish Cypriot authorities continued to rely heavily on domestic borrowing to finance fiscal obligations and refinance maturing debt. On June 3, the Ministry of Finance announced three new domestic debt auctions worth more than TL 4.25 billion (€79.5 million), including borrowing denominated in Turkish lira, U.S. dollars, and British pounds. The proceeds were intended primarily to refinance existing liabilities, with approximately TL 5.46 billion (€102.2 million) in government debt maturing during June. According to official figures, domestic borrowing had already exceeded TL 33.5 billion (€626.9 million) between January 9 and May 21 and was expected to surpass TL 37 billion (€692.5 million) following the June auctions.

The Turkish Cypriot Central Bank’s first-quarter economic bulletin showed that budget revenues increased by 31.7%

year-on-year to TL 33.5 billion (€626.9 million), while expenditures rose at a faster 35.1% to TL 32.1 billion (€600.8 million), reducing the budget surplus from TL 1.71 billion (€32.0 million) in the first quarter of 2025 to TL 1.43 billion (€26.8 million). The bulletin also reported that the government’s domestic debt stock increased by TL 6.47 billion (€121.1 million) during the first quarter, reaching TL 22.4 billion (€419.2 million) by the end of March, underscoring the administration’s growing reliance on domestic borrowing to meet fiscal needs and refinance existing obligations. Despite these fiscal pressures, the banking sector remained resilient, with total assets reaching TL 523 billion (€9.79 billion), the capital adequacy ratio improving to 20.5%, and the non-performing loan ratio declining slightly to 2.73%.

Official figures showed that the average occupancy rate of tourist accommodation facilities in the north during the January–May 2026 period stood at 33.4%, remaining well below pre-pandemic levels despite a modest improvement from the first four months of the year. Although hotel occupancy increased to 45.2% in May—the highest May rate recorded since 2022—the five-month average remained lower than the 34.4% recorded during the same period in 2025. The data also highlighted the sector’s growing dependence on the Turkish market: 86.8% of hotel guests during the first five months of 2026 came from Turkey, while the share of visitors from third countries declined to 13.2%, down from 17.6% a year earlier, underscoring continuing challenges in diversifying tourism markets.

The cost of living came under further pressure after the Cyprus Turkish Electricity Authority (KIB-TEK) announced a 22% increase in electricity tariffs, effective June 1, marking the first adjustment in 14 months. KIB-TEK attributed the increase to rising fuel costs, inflation, and the depreciation of the Turkish lira, arguing that the tariff revision was necessary to maintain the utility’s financial sustainability. The price increase affected residential, commercial, industrial, and tourism consumers, prompting criticism from opposition parties and trade unions, which argued that the measure would place an additional burden on households and businesses already facing high inflation and rising living costs.

According to the Statistical Institute, consumer prices increased by 2.06% in May, bringing cumulative inflation since the beginning of the year to 14.33%, while annual inflation stood at 37.28%. Price increases were concentrated in communications, restaurants and hotels, education and transport. Inflation accelerated again in June, with monthly Consumer Price Index (CPI) rising by 2.29% and annual inflation increasing to 38.46%. Housing, water, electricity and gas recorded the largest monthly increase (8.52%), indicating that inflationary pressures increasingly shifted toward utilities and services despite some easing in food prices. Following the sharp fuel price increases experienced during March and April because of the Iran war, energy markets stabilised during May and June, although fuel prices remained well above pre-crisis levels and continue to exert pressure on households and businesses.

Relations with Turkey

On May 8, Turkish Cypriot leader Tufan Erhürman announced that Turkey had lifted entry restrictions imposed on more than 15 Turkish Cypriots following contacts with the Turkish authorities. Erhürman said he had personally informed those affected and stressed that efforts would continue to resolve the cases of others still subject to travel restrictions. The announcement marked the first significant easing of a controversial practice that has affected Turkish Cypriot journalists, academics, politicians, trade unionists, artists, and civil society representatives since 2021, many of whom were denied entry to Turkey under security-related restriction codes without being informed of the reasons.

On May 23, Turkish Energy and Natural Resources Minister Alparslan Bayraktar announced plans to strengthen energy integration between Turkey and the Turkish Cypriot community through two major infrastructure projects: a submarine electricity interconnection and a 97-kilometre natural gas pipeline from Alanya to the northern part of Cyprus. Bayraktar stated that engineering work on the pipeline is expected to be completed by the end of 2026, with construction targeted for 2028. He argued that supplying natural gas would enable the conversion of the north's oil-fired power plants to a cleaner fuel, improving energy security and reducing environmental impacts. He also presented the project as having strategic significance, suggesting that any future Eastern Mediterranean gas discoveries could eventually be transported via Cyprus to Turkey and onward to European markets.

Between June 22 and 26, Turkey and the Turkish Cypriot authorities conducted the 22nd Martyr Lieutenant Caner Gönyeli Search and Rescue Exercise in and around north Cyprus and the eastern Mediterranean. The exercise included both land and maritime phases and involved Turkish and Turkish Cypriot coast guard units, naval vessels, helicopters, fixed-wing aircraft, unmanned aerial vehicles, and special operations teams. Scenarios simulated maritime collisions, search and rescue operations, irregular migration incidents, ship boarding, and firefighting at sea, with participation from international observers representing several countries. During the exercise, Turkish Cypriot Prime Minister Ünal Üstel stressed Turkey's role as the Turkish Cypriot community's security guarantor and argued that growing military cooperation between the Republic of Cyprus and foreign partners, as well as evolving regional dynamics in the Eastern Mediterranean, underscoring the importance of maintaining close security cooperation between Turkey and the Turkish Cypriot authorities.

Recent environmental statistics indicate that water dependence on Turkey has continued to rise in 2025. Of the 61 million cubic meters of water utilised in the north, approximately 78% was delivered via the Turkey–North Cyprus Water Supply Project, while only 22% originated from local sources. Since the pipeline commenced operations in 2016, municipal water withdrawals have increased

by 129.4%, and water sourced locally has decreased by 42.4%. The proportion of locally sourced water declined from 40% in 2017 to 22% in 2025, highlighting the increasing reliance on Turkey for water security.

Domestic Developments

A controversial amendment to the Criminal Procedure Law sparked significant debate over the balance between privacy rights and press freedom during May and June. First adopted by the Assembly on May 4, the bill prohibited the publication of the names and photographs of criminal suspects before the conclusion of judicial proceedings. Journalists' organisations, opposition politicians, bar associations, and civil society groups argued that the measure would unduly restrict investigative reporting and the public's right to information, particularly in cases involving public officials and allegations of corruption. Supporters, meanwhile, maintained that the legislation was necessary to strengthen the presumption of innocence and protect personal privacy. On May 13, President Tufan Erhürman exercised his constitutional veto and returned the bill to the Assembly, arguing that it failed to strike an appropriate balance between privacy rights and freedom of the press. The Assembly subsequently reconsidered the legislation, removing the proposed custodial penalties while retaining financial sanctions for violations, and approved the revised text for a second time. Erhürman then promulgated the amended law after Parliament's second approval, noting that the removal of prison sentences had addressed some of his concerns while reiterating the importance of safeguarding both individual privacy and media freedom.

On May 26, the authorities introduced a 45-day immigration amnesty through amendments to the Foreigners and Immigration Law, allowing, until July 9, eligible foreign nationals with irregular immigration status to regularise their stay. The amnesty applied to individuals who had overstayed their visas, resided or worked without authorisation, and, in certain cases, persons subject to deportation or entry bans, including eligible university students. Successful applicants were required to pay a fee equivalent to one gross monthly minimum wage, after which accumulated overstay penalties were waived, deportation decisions and entry bans could be lifted where applicable, and a temporary 60-day permit was issued to enable applicants to obtain a valid residence or work permit. As the July 9 deadline approached, the Ministry of Interior urged individuals who had registered online but had not completed the required procedures to finalise their applications before the amnesty expired, emphasising that no further extension would be granted. The measure was presented as an effort to regularise the status of foreign nationals living in the country while improving the administration of immigration and labour regulations. Interior Minister Dursun Oğuz announced that, as of June 10, a total of 3,073 applications had been submitted for the ongoing immigration amnesty.

On June 11, President Tufan Erhürman presented a 48-page booklet, *200 Days in the Presidency*, reviewing his administration's first 200 days in office. The publication outlines the Presidency's activities under three broad headings—domestic affairs, diplomatic contacts, and official visits and events—and highlights a governance approach based on transparency, participation, and collective decision-making. It details the establishment of 18 presidential working units covering areas such as EU affairs, property, energy, public diplomacy, youth, and environmental policy, as well as the Presidency's constitutional oversight of legislation, its handling of citizens' complaints, and the work of bicommunal technical committees. The booklet also reviews developments concerning the Cyprus problem, including meetings with the Greek Cypriot leadership and senior UN officials.

Preparations for the December 2026 local elections gathered pace during May and June, marking the beginning of an increasingly active pre-election period. On May 19, the Republican Turkish Party (CTP) announced its first seven mayoral candidates, all incumbent mayors seeking re-election: Süleyman Uluçay for Famagusta; Murat Şenkul for Kyrenia; Ali Karavezirler for Değirmenlik-Akıncılar (Kythrea-Louroujina); Yüksel Çelebi for Dikmen (Dikomo); Aziz Kaya for Lefke (Lefka); Ahmet Latif for Mesarya (Mesaoria); and Ceyhun Kirok for Çatakköy-Esentepe (Agios Epiktitos-Agios Amvrosios). The governing National Unity Party (UBP) also began unveiling its candidates on June 25, confirming that it would renominate seven incumbent mayors: Hüseyin Amcaoğlu in Gönyeli-Alayköy (Kioneli-Gerolakos); Hasan Sadıkoğlu in İskele (Trikomo); Halil Kasım in Geçitkale-Serdarlı (Lefkoniko-Strongylos); Dr. Fatma Çimen Tuğlu in Mehmetçik-Büyükkonuk (Galateia-Komi Kebir); Bülent Bebek in Beyarmudu (Pergamos); Mahmut Özçınar in Güzelyurt (Morphou); and Hamit Bakırcı in Erenköy-Dipkarpaz (Kokkina-Rizokarpaso). UBP also announced İbrahim Erbilim as its candidate for Lapta-Alsancak-Çamlıbel (Lapithos-Karavas-Myrtou). The party indicated that additional candidates would be announced in the following weeks. The most closely watched race remained the Nicosia Turkish Municipality (northern Nicosia), where incumbent mayor Mehmet Harmancı of the Communal Democracy Party (TDP) indicated his intention to seek another term. By the end of June, however, neither the CTP nor the UBP had announced a candidate for the capital, fuelling speculation over possible opposition cooperation and the electoral strategies of the major parties. Meanwhile, political debate also focused on proposals to hold the 2027 parliamentary elections concurrently with the December 2026 local elections to reduce costs and avoid two nationwide campaigns within a short period. Supporters argued that concurrent elections would improve administrative efficiency and reduce election fatigue, while critics maintained that they would overshadow local issues and blur the distinction between municipal and national contests. Although no formal decision had been taken by the end of June, the discussion underscored the growing prominence of electoral politics as parties began positioning themselves for both the local and parliamentary elections.

On June 1, İskele (Trikomo) Mayor Hasan Sadıkoğlu stated that the district's actual population had approached 40,000, far exceeding the officially registered figure of around 7,900 residents. He attributed the discrepancy to rapid population growth driven by new housing developments and migration, arguing that municipal funding and service allocations based on official population statistics no longer reflect the area's real needs.

On June 11, the first phase of the EU-funded Kanlıdere (Pedieos River) Rehabilitation Project was completed in northern Nicosia. Implemented by the United Nations Development Programme (UNDP), the project has created a 1.2-kilometre pedestrian and cycling link between the Ledra Palace crossing and the Kanlıdere corridor. The initiative aims to restore the river environment, improve sustainable mobility, and create shared public spaces connecting the two sides of the divided capital. A second phase, extending the rehabilitation by a further 2.85 kilometres, is expected to begin in September 2026.

A major cybersecurity incident sparked concerns over the security of government information systems after reports emerged in late June that hackers had leaked data from the Ministry of Health's database on the dark web. The alleged breach reportedly affected more than 360,000 records relating to individuals from over 200 nationalities and included sensitive personal and medical information such as identity numbers, addresses, family details, vaccination records, and other health-related data. The hackers also claimed to possess additional government databases, including entry and exit records. While the authorities initially stated that the reports had yet to be verified, they subsequently launched an investigation into the alleged breach and announced plans to strengthen cybersecurity capacity with technical support from Turkey. The incident prompted criticism from opposition parties, medical professionals, and information technology experts, who called for greater transparency, stronger personal data protection, and the accelerated development of a comprehensive national cybersecurity strategy.

The death of Turkish Cypriot investigative journalist, author and peace activist Sevgül Uludağ, on June 28 at the age of 67, prompted tributes from across the political divide and both Cypriot communities. Over a career spanning more than four decades, Uludağ became internationally recognised for her pioneering work documenting the fate of Cyprus's missing persons, uncovering mass burial sites, and giving voice to the families of the disappeared. Her reporting and advocacy contributed significantly to bicommunal efforts to address one of the island's most enduring humanitarian legacies, earning her numerous international awards and widespread respect as a leading advocate for truth, reconciliation and peace in Cyprus.

Future of Work, Labour Relations & Trade Unions

On May 1, Turkish Cypriot trade unions and civil society organisations marked International Workers' Day by marching from Kuğulu Park in northern Nicosia to the UN buffer zone at Ledra Palace, where they joined Greek Cypriot counterparts in a bicommunal rally. Organised under the slogan "Common Struggle, Common Future", the event called for stronger labour rights, action against the rising cost of living, opposition to war and militarisation, and renewed efforts toward the reunification of Cyprus.

On June 26, the death of a foreign worker in Güzelyurt (Morphou) renewed concerns over occupational health and safety standards in the northern part of Cyprus. The worker died after falling from the roof of the workers' dormitory, prompting police to launch a negligence investigation that resulted in the arrest of three individuals. The incident followed another serious workplace accident earlier in the month, when a worker was critically injured after falling approximately nine metres from an electricity pole during power-line installation works in Tatlısu (Akanthou) on June 12. The two incidents intensified public debate over inadequate workplace safety measures, with media outlets and labour advocates calling for stronger inspections and stricter enforcement of occupational safety regulations.



Events in May and June

Event: “Grab a Cypriot Coffee”

Title: A Parliament in Flux: Cyprus Parliamentary Elections Unpacked

Location: Online Briefing

Date: 26 May 2026

Event: FEPS Call to Europe Cyprus

Title: A progressive strategy for peace and cooperation in the Mediterranean

Location: University of Nicosia, UNESCO Conference Room

Date: 29-30 May 2026

Event: Bilateral Migration Agreements Brussels

Host: FES Tunisia and Brussels

Date: 01-02 June 2026

Event: The 7th Annual Conference of the International Association for Reconciliation Studies (IARS)

Title: Cyprus Conflict & Negotiation: Dialogue for Peace and Reconciliation

Location: University of Nicosia

Date: 19-21 June 2026



Recent Publications

Publication: Election-Report

Title: The Cypriot Parliamentary Elections of 2026 and their Aftermath

Author: Dr. Vasiliki Triga



Recent Podcasts

No Podcasts in May and June

Short Biographies of Authors

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