



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!

Newsletter No. 121 JUNE 22















CONTENT

EVENTS, PODCASTS, PUBLICATIONS	3
CYPRUS PROBLEM	4
HYDROCARBONS	5
GREEK CYPRIOTS	6
Economic Developments	
Domestic Developments	
Labour Relations and Trade Unions	
TURKISH CYPRIOTS	9
Economic Developments	
Relations with Turkey	
Domestic Developments	
Labour Relations and Trade Unions	

Newsletter No.121 JUNE 22













PODCASTS in JULY: No podcasts in July



PODCASTS in AUGUST: No podcasts in August

PUBLICATIONS in JULY:

Corina Dimitriou and Nicos Trimikliniotis
The COVID-19 Pandemic and Fundamental
Rights in Cyprus
2022 Briefing and Report





PUBLICATIONS in AUGUST:

No publications in August

EVENTS in JULY:

Friedrich-Ebert-Stiftung Cyprus, Nicos Trimikliniotis, Corina Dimitriou, Katjia Saha, Head of UNHCR (TBC), Olga Komiti, Senior Legal Expert of UNHCR, Ari Sitas, Professor Emeritus Sociology, University of Cape Town, Emmanuel Achiri, President of VOIS and legal scholar Launch of the FES Reports:

Cyprus: Migration and Asylum in the Age of the COVID-19 Pandemic The COVID-19 Pandemic and Fundamental Rights in Cyprus

Monday, July^{11th} 2022 07:00 PM - 09:00 PM (EEST) Location: Château Status



EVENTS in AUGUST:

No events in August

Newsletter No.121 JUNE 22













CYPRUS PROBLEM

As part of a three day visit to the Turkish Foreign Minister, Mevlut Cavusoglu, met on June 13 with Turkish Cypriot officials, including Turkish Cypriot leader¹, Ersin Tatar. Speaking to Turkish media Cavusoglu stated that sovereign equality must be guaranteed before peace negotiations on the Cyprus issue can resume

On June 18, the first intercommunal Pride parade was held in divided Nicosia. Hundreds from the LG-BTQ+ community and allies from both sides of the island marched to the Home for Cooperation in Nicosia's buffer zone as part of 'United by Pride'.

On June 20, a letter sent from Tatar to the Greek Cypriot leader Anastasiades claimed that it is essential for the sovereign equality and equal international status of the Turkish Cypriots to be secured as this "will open the door for meaningful and formal negotiations, which will aim at establishing a structured cooperative relationship between the two equal states." Tatar also called for the lifting of the isolation of Turkish Cypriots and noted that he intended to submit his own package of Confidence Building Measures (CBMs).

On June 23, following an EU summit held between EU leaders in Brussels amid an escalation of Greek-Turkish relations, the European Council, stated that Turkey must de-escalate tensions in favour of regional stability in the Eastern Mediterranean. The European Council expressed its deep concern over Turkey's recent actions and statements and reiterated that Ankara must respect the sovereignty and territorial integrity of the EU's member states. Ankara claims that Greece is arming islands in the Aegean Sea, but Athens has dismissed those assertions as unfounded.

Meanwhile the High Representative of the European

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

Union for Foreign Affairs and Security Policy, Josep Borrell, in a letter addressed to President Anastasiades, stated that he has informed the Turkish foreign ministry that the Cyprus Republic's proposed CMBs can pave the path towards the resumption of talks. Borrell called on Turkey to study the CBMs as part of a wider effort to improve EU-Turkey relations. Borrell stated that he will continue to press Ankara to handle the Varosha issue in accordance with the relevant EU and UN resolutions. Amongst the Republic's proposed CBMs are the handing over of fenced-off area of Varosha to the UN, putting the Famagusta port customs services under EU authority to facilitate trade with the outside world and the operation of Tymbou/Ercan airport under the UN. Tatar had dismissed the proposals as being "re-heated", further stating that they would infringe upon the north's sovereignty. Tatar repeated that a solution based on a bizonal federation was non-functional and that there was no turning back from the two-state solution now backed by Turkey.

On June 27, Anastasiades and Tatar met separately with the UN's appointed Special Representative and Head of the United Nations Peacekeeping Force in Cyprus, Colin Stewart, with CBM's being on the agenda. Following his meeting with Anastasiades, Steward stressed that trust between the two sides in Cyprus is at a low point and without rebuilding it, it will be difficult to move forward with the political process. The UN Security Council is expected to vote in a resolution for the renewal of the UN peacekeeping force mandate at the end of July.

On June 29, Anastasiades met with Turkish President Recep Tayyip Erdogan on the sidelines of the Euro Atlantic (EU-NATO) meeting held in Madrid. Speaking to reporters, Anastasiades explained that there were two brief encounters in Madrid, one dur-

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).

Newsletter No.121 JUNE 22













ing the reception and one after the dinner, set up by French President Emmanuel Macron. Anastasiades reportedly reiterated to Erdogan his readiness to resume negotiations towards a lasting solution to the Cyprus problem and offered to meet with him in Paris. Erdogan instead reportedly suggested that a meeting could take place in the north, which was categorically rejected by Anastasiades. Reporters and local media noted that Erdogan appeared to have been dismissive of the meeting and instead called on the two sides to sort it out between each other. While addressing the 36 leaders at the dinner, Anastasiades stated that the Cyprus problem remains an "open wound" which threatens the peace, stability and security in the Eastern Mediterranean and Europe. On the margins of the Euro-Atlantic dinner Anastasiades also had brief encounters with US President Joe Biden and British Prime Minister Boris Johnson. The stalemate in efforts to solve the Cyprus problem was among the issues discussed.

A new local initiative which aims to initiate peacebuilding through the use of music was launched on June 29. The Bi-ComMusic is a project funded by the Davis Projects for Peace, that hopes to help the island's communities and address the many stages of conflict more constructively and creatively, through the use of music and dialogue.

Firefighting aircrafts and helicopters from the Republic of Cyprus participated in international efforts to bring under control a devastating fire in the Pentadaktylos mountain in the north which destroyed thousands of acres of land. They were sent after the Turkish Cypriot authorities submitted a request for help to the Cypriot government and to UNFICYP. Some 500 Turkish Cypriots have applied for and found a job in the south, as part of a programme rolled out late last year, where the SEK trade union and the Turkish Cypriot syndicate Turk-Sen partnered up to facilitate Turkish Cypriots wanting to work in the south.

²The following development would usually fall within the next issue of the newsletter but given the proximity of

On July 1², Anastasiades and Tatar met separately with UN's Assistant Secretary-General for Europe, Asia, and the Americas, Miroslav Jenca who is undertaking a fact-finding mission to ascertain how to establish the necessary conditions allowing for the resumption of talks based on UN Security Council resolutions and on the terms set by the Secretary-General's mandate.

During his meeting with Jenca, Tatar handed over his proposals for the "future cooperation of the two states" outlined under four pillars:

- shared hydrocarbon exploration;
- an electricity interconnector to the EU via Turkey:
- joint solar energy projects; and
- shared use of water resources;

Tatar is expected to submit two more proposals, one on demining and one on immigration.

Anastasiades and Jenca discussed issues related to CBMs as well as the thorny issue of the appointment of a special envoy by the UN, which has been opposed by the Turkish Cypriot side as it disagrees with the terms of the mandate. Anastasiades reiterated the Greek Cypriot side's positions, including its readiness to resume Cyprus talks based on a bizonal bicommunal federation.

HYDROCARBONS

On June 15, Andreas Mavroyiannis, the former Greek Cypriot negotiator and current presidential candidate for AKEL, made a proposal for a deal with Turkey on natural gas before a settlement of the Cyprus problem in an effort to break the current deadlock. The proposal by Mavroyiannis marks a significant shift, as the Cyprus government's position has been that a gas deal with Turkey could only happen after a solution to the Cyprus problem. Some parties

the date of events and its materiality, it was decided to be included within this issue covering event of June.

Newsletter No.121 JUNE 22













oppose such a move even after a settlement. Mavroyiannis sought to address likely concerns, stipulating that such a deal would be based on providing gas to Turkey for its own internal consumption and not for re-exports. Mavroyiannis argued that there was "no danger" under such a scenario, hinting that Ankara would not be able to use the gas connectivity as a pressure lever, as it would not be able to threaten to turn off the taps to other markets.

On June 28, while briefing MPs at the House Foreign Affairs committee, Foreign Minister Ioannis Kasoulides, stated that companies have so far not expressed an interest in the construction of the mooted EastMed pipeline. Kasoulides explained that the problem has to do with the fact that a feasibility study for the pipeline has stalled, because the company tasked with the study is being "harassed" by Turkish ships at a location which Ankara claims lies within its continental shelf. As things stand, the minister said, there are only rough estimates relating to the length and cost of the proposed pipeline. The project is thought to carry a price tag of €7bn. The EastMed pipeline appeared to be dealt a fatal blow in January when the US State Department withdrew its support for the project. Kasoulides also briefed parliament on the electricity link via a subsea cable between Cyprus and Crete. Work is expected to commence in 2024. The project has secured €658m in financing from the EU. This project, too, is reportedly hampered by problems. The company assigned with the project reportedly wants to reroute the subsea cable so that it does not come into proximity with Turkish areas. Kasoulides said the government has not yet consented to rerouting the cable.

GREEK CYPRIOTS

Economic Developments

On June 20, RCB Bank (formerly Russian Commercial Bank headquartered in Limassol), announced that the sale of Tranche B of its performing loan portfolio to Hellenic Bank has been successfully completed. This follows the original statement released on March 22 which announced the sale of a performing loan portfolio to Hellenic Bank, including related funds on the accounts of the corresponding borrowers and related off-balance sheet obligations. The loan portfolio being sold was composed of two tranches, with Tranche A corresponding to Cypriot exposures, and Tranche B relating to Cypriot and other European. The bank said that Tranche B has a gross book value of approximately €64m. The sale took place in the context of Western sanctions against Russian banks after the Russian invasion of Ukraine.

On June 29, Rating Agency DBRS Morningstar slashed Cyprus' baseline growth rate by 0.7% for 2022, citing a deteriorating outlook following Russia's invasion of Ukraine. In its updated sovereign baseline scenarios, the Canadian rating agency said Cyprus' growth rate will reach 3.4% compared to 4.1% in its March 2022 projection and 3.5% in 2023 compared with the previous projection of 3.3%. DBRS maintained its projection for unemployment unchanged at 6.9% for 2022, with the unemployment rate raised to 6.8% in 2023 up from the previous projection of 6.4%.

On June 30, Parliament passed the government's second supplementary budget for fiscal year 2022, with the debate on the House floor devolving into a spat over a €43,000 allocation to a foundation dedicated to Georgios Grivas³. AKEL filed an amendment on the House floor to block the release of

³A controversial figure in Cypriot history, Grivas nicknamed 'Digenis' was the leader of EOKA, a Greek Cypriot nationalist paramilitary organisation that fought a campaign for the end of British rule in Cyprus, and for eventual union with Greece. In the 70's Grivas created EOKA B which in cooperation with the Greek junta orchestrated the Coup of 1974 to overthrow Makarios, leading to the Turkish invasion.

Newsletter No.121 JUNE 22













the amount to the foundation. The amendment passed. The second supplementary budget comes to €171.8m. It relates to additional expenditures on coronavirus-related measures, extraordinary expenditures for the fallout due to the war in Ukraine, armaments expenditures, spending on fire prevention, and spending on various benefits. By far the single biggest item on the budget was the €52.8m allocated to the defense ministry, an advance for the purchase of six attack helicopters manufactured by Airbus. The budget also featured €36m for the purchase of water from desalination plants.

On June 30, the land and surveys department published its new evaluations for January 1, 2021, covering a total of 1,660,048 properties which were 25,102 or 1.5% more than the 2018 survey. The total value of the properties exceeds €186bn, some €4bn more than the 2018 evaluations. According to the report, land values remain basically the same as in 2018, while the small increase in the value of buildings is attributed primarily to costlier building materials. The biggest increases, though still not significant, concern apartments and houses in the Limassol district.

According to a report released by the Cyprus Statistical Service (Cystat) the average gross monthly earnings of employees during the first quarter of 2022, amounted to €2,019 compared to €1,891 during the same period in 2021, representing an increase in gross monthly earnings of 6.85% year-on-year.

Higher petrol prices and costlier electricity are fueling inflation and enraging consumers, adding pressure on the government to adopt additional measures, including a price ceiling, to cushion the sharp increase in the cost of living. According to fuel price observatory, diesel prices range from €1.999 to €1,808 a litre, averaging at €1.914. The price of unleaded 95 ranges from €1.867 a litre to €1.755, averaging at €1.806.

⁴The government no longer publishes daily Coronavirus cases or deaths. Instead, it publishes figures on cases and deaths on a weekly basis. These figures represent the

Domestic Developments

In June, the Covid 19-cases increased from 489,963 to 515,596 cases^{4.} The number of deaths attributed to the virus rose from 1,059 to 1,075. Following a recent increase in coronavirus cases and hospitalisations, which the health ministry attributed to the BA.4 and BA.5 variants, authorities have decided to reintroduce some restrictions to prevent the further spread of the virus. In particular, the face mask mandate, lifted on June 1 in all spaces excluding high-risk areas such as hospitals and nursing homes, has been reintroduced in pharmacies, clinical laboratories and testing sites.

On June 14, Andreas Mavroyiannis officially launched his bid as a presidential candidate. The former chief negotiator for Cyprus has received AKEL's backing. On June 16, The Famagusta for Cyprus movement publicly announced its support towards the independent presidential candidacy of Achilleas Demetriades.

On June 26, Centre-right DIKO's central committee unanimously decided to support the candidacy of independent candidate and former Foreign Minister Nikos Christodoulides for the upcoming presidential elections. The central committee voted unanimously in favour with 132 votes with only one abstention. In his address to the members, prior to voting, DIKO leader Nikolas Papadopoulos went all out to support Christodoulides, saying the latter's goals were aligned with those of the party whereas his discussions with other potential candidates had not been fruitful. Among the reasons presented by Papadopoulos for backing Christodoulides was the latter's acceptance of DIKO's agenda for change including: a need to review tactics and strategy on the Cyprus problem in view of the Turkish intransigence but not to review the basis for a solution; a significant increase in defense spending to reach 2% of GDP and the upgrading of the national guard; the creation of a state department for immigration and the adoption

latest published figures of the month, up until the last week of June.

Newsletter No.121 JUNE 22













of stricter measures against corruption.

On June 27, Kyriacos Koushios was sworn in as Labour Minister after former Labour Minister Zeta Emilianidou passed away earlier in the month after suffering a brain aneurism. In addition, Petros Demetriou former Director of the office of the President was also sworn in as Undersecretary to the President, replacing Koushios, while Pantelis Pantelides, former Secretary of the Presidency of the Republic was sworn in as Director of the Office of the President

Five presidential candidates issued a joint statement on June 30 to press for televised debates and are urging remaining candidates to join their initiative. The statement was issued by Averof Neophytou, Andreas Mavroyiannis, Achilleas Demetriades, Marios Eliades and Giorgos Colocasides. Among those absent from the list were former foreign minister Nicos Christodoulides who polls suggest is a frontrunner in the race. Christodoulides said later in the day he would join the debate as was the case with Neo Kyma's Constantinos Christofides, the former rector of the University of Cyprus.

Labour Relations and Trade Unions

On June 27, the teachers of the English School of Nicosia went on strike, claiming their right to unionize without interference and sanctions from the management. The problems of the unionized teachers in the English School started about eight months ago, when the management tried to block the action of the teachers' Union asking for better working conditions. The management targeted the leader of the Union by accusing her of disciplinary offenses and proposing her dismissal. After an intervention of the Commissioner of Administration, the issue was resolved and disciplinary charges against the president and the members of the Board of the Union were withdrawn. However, as soon as this school year ended and quite suddenly other charges were brought forward directed against the president and two members of the Union's Board demanding disciplinary action and a decision to dismiss them.

On June 14, the trade union organizations PEO and SEK demanded the safeguarding of the rights of teachers who are employed as vendors of services by the Ministry of Education, Culture, Sports and Youth (YPPAN). In their announcement, they expressed their readiness to engage in an intensive dialogue with the Ministry to find a solution that protects the interests of their members. PEO and SEK made a reference to the decision of the Supreme Court dated on June 6th 2022 which vindicates the struggle to end the application of the employment regime. PEO and SEK believe that by organizing intensive meetings with the Ministry of Health, it will be possible to implement a new employment regime in the 2022-2023 school year. However, the Ministry holds that more time is needed.

On June 7, in a letter to the Minister of Finance, the trade unions of the Cyprus Electricity Authority (EAC) referred to the serious lack of staff throughout the organization, which has been ongoing for years. Moreover, they emphasized the stress experienced by EAC's staff, in their effort to respond to the Organization's needs, often at the expense of essential issues like health and safety. However, the Minister of Finance in a reply letter stated that "the request for the creation of 393 new positions is excessively large since it leads to an increase in the Agency's human resources by 17% [...] leading to an increase in operating costs of EAC and a further increase in the charge prices for electricity consumption, in a difficult period for consumers".

The banking sector is in a waiting position, until the mediating intervention of the Ministry of Labor is completed, to resolve the long-term labor crisis at Hellenic Bank. The technocratic team of the labor relations department of the Ministry of Foreign Affairs has prepared an extensive note with the positions of the two parties, which are mainly concerned about the renewal of the collective agreement and the amount of gratuity compensation granted in the context of the voluntary exit plans. Hellenic Bank,

Newsletter No.121 JUNE 22













through their Chief Executive Officer, referred to five essential issues that it will claim in the context of the mediation meeting at the Ministry of Foreign Affairs:

- The need to change the practice of automatic horizontal annual increments
- The reduction of the bank's contributions to the ETYK health fund, and welfare fund
- The amount of gratuity compensations
- The number of employees who will leave with a voluntary exit plan

The priority for trade unions is the renewal of the collective agreement, the voluntary exit plans and the cancellation of redundancies, as well as the harmonization of the salary of the former employees of the Cooperative with their colleagues from Hellenic Bank.

TURKISH CYPRIOTS

Economic Developments

According to the Statistical Institute, the consumer price index was 110% higher in May 2022 compared to May 2021. The consumer prices had risen by 9.54% in May 2022 alone.

On June 30, the government announced a "mini economic package" to assist businesses struggling due to the current economic crisis. The package includes different types of loans, worth 100m Turkish Lira (TL) (€5.7 m). Recipients of social security and disability benefits will also be given extra payments. The state will also be covering social security payments of various groups and individuals. The package failed to impress the business community. The Chamber of Commerce said: "The economy ... requires more comprehensive packages and moves to allow structural transformation necessary to help it get back on track, not small steps". The Chamber of Commerce put forward its own set of proposals which includ-

ed making savings and increasing efficiency in the public sector; reducing customs taxes on imported goods and allowing VAT to be paid on imports after three months instead of in advance; increasing tax on rental income in foreign currency from 13% to 15% and reducing tax on Turkish lira rental income from 8% to 5%; tax discounts for investments; and amendments to VAT rates, tax exemption rates and tax bands to help protect purchasing power.

In a report by Cyprus Today, the head of the Travel Agencies Association, Orhan Tolun said that more than a quarter of hotels that were operational in 2019 are no longer in business. Tolun said that while there were 110 hotels operating in the TRNC in 2019, that number has dropped to around 80 at present as a result of the Covid-19 pandemic. Tolun said that the 80 hotels that are currently open have a combined bed capacity of around 17,000 and are 55% full. Before the pandemic the country had a hotel bed capacity of around 26,000, he added. Tolun also said that the recovery of the tourism sector is being hampered by 'high air fares'. The TRNC's primary market is Turkey, but tourists from Turkey now prefer domestic holiday destinations because of the high flight ticket prices Tolun said. As reported by Yeniduzen, Hoteliers Association president Dimag Caginer also said that the financial crisis and high air travel costs have resulted in a decreased inflow of tourists from Turkey. Undersecretary of the Ministry of Tourism and Environment Serhan Aktunc also said that expensive flight tickets are the biggest issue for the sector.

The central bank data showed that in 2021 imports increased by 71.26% compared to 2020, and reached USD 2.26 billion, an increase of 940 million dollars. Exports, on the other hand, increased by 26.45% compared to 2020, reaching 127.85 million. Consumers are taking out fewer loans for big purchases while raising their credit card limits to make ends meet, the head of the Banks Association said. In a report by Cyprus Today, Olgun Onal said that people are buying less property and vehicles — which are

Newsletter No.121 JUNE 22













typically priced in hard currency— than they were in the past due to the economic slowdown and fears of being unable to afford repayments if the Turkish lira continues to lose value.

According to the opinion poll conducted by Center for Immigration, Identity and Rights Studies (CMIRS) in June, 86.3% of the respondents stated that they expected their personal economic situation to worsen in the next two years; up from 72.2% in April.

Relations with Turkey

The two generators, donated by Turkey to boost the electricity generation capacity of the TRNC arrived on June 29. The two generators, 25MWs each, are expected to be up and running in ten days.

On June 27, another Turkish Cypriot, the Left Movement Secretary General, Abdullah Korkmazhan, was not allowed to enter Turkey on the grounds of "acting against the national security". Since the summer of 2021, a number of Turkish Cypriot citizens, including the former Turkish Cypriot leader Mustafa Akinci's communications advisor Ali Bizden, researcher Ahmet Cavit An, journalist Ali Kismir and former MP Okan Dagli, have been denied entry to Turkey and deported on the same grounds. So far no official statement came from Turkish officials about the issue.

During his visit to the TRNC, the Turkish Foreign Minister Mevlut Çavusoglu has promised to make it easier for Turkish nationals living in the northern part of Cyprus to get Turkish Cypriot citizenship, further deepening already grave concerns about the demographic change in the society. In a report by journalist Esra Aygin it is pointed that 'Ankara will be piling on the pressure regarding this issue, since the controversial "Economic and Financial Cooperation Protocol," signed between the northern part of Cyprus and Ankara back in April also has a provision on the easing of the granting of Turkish Cypriot citizenship to Turkish nationals'. Quoted in the report, Mete Hatay of PRIO Cyprus Centre, said 'already, some 40% of the total number of voters in the north-

ern part of Cyprus are of Turkish origin'.

According to the news of Bugun Kibris, during Cavusoglu's visit to the parliament, Deputy Speaker of the Parliament (CTP Kyrenia MP), Fazilet Ozdenefe, said that the CTP thinks differently on Confidence Building Measures and the solution of the Cyprus problem, and that different views should be taken into account. Cavusoglu responded: "When my President came to this Parliament, you did not come to the Parliament and ignored him. You ignored him then, now we ignore you".

Domestic Developments

On June 13, over one hundred journalists staged a peaceful demonstration against the government's proposal to resurrect laws that would limit freedom of speech. Organised by the Turkish Cypriot Journalists Association, journalists of all ages and political views came together for a 24-hour demonstration in front of the Parliament to protest the planned assault on freedom of speech. Sitting in front of a banner with the hashtag #Don't Touch, and the slogan "Freedom - Bigger than You", the protesting journalists gave a running commentary about their campaign in a 24-hour live broadcast outside the Parliament. Drawing parallels with the protection given to the Turkish President, who regularly uses similar laws to prosecute those who "insult" him, the proposed changes to the TRNC Penal Code would ban any kind of remark that would cause 'discontent or disaffection between the Turkish Cypriot President and the people'. Under the current proposals, offenders found guilty of such remarks would be jailed. Journalists, their mouths covered in black tape to denote attempts to silence them, sat in the TRNC Parliament's gallery when the proposed changes to the Penal Code would be debated. Following the 24-hour demonstration, the ruling coalition said the proposal would be re-examined.

A large wildfire, which had started on June 21, scorched at least 16,000 acres (4,000 hectares) of forest in the foothills of the Pentadaktylos mountain

Newsletter No.121 JUNE 22













range. The wildfire drew international support with up to eleven aerial units (six planes and five helicopters) assisting in the efforts. The Republic of Cyprus sent aircraft to the north on June 22, while the British bases, Israel and Turkey also assisted. The fire was finally extinguished in the early hours of June 24 thanks in part to heavy rain that hit parts of the island.

Local elections which had been due to take place in late June have been postponed to November. The change was approved following a majority vote of the coalition government's MPs on 18 June. Talking to the floor before the voting, the main opposition Republican Turkish Party (CTP) chairperson, Tufan Erhurman, accused the government of violating the Constitution by not holding local elections on time. On June 7, Meryem Ozkurt, the director of the public broadcaster (BRT), was sentenced to two months in prison for violating pre-election impartiality laws by broadcasting ceremonies days before the 2020 presidential election involving the then-candidate Ersin Tatar. On June 18, Ozkurt filed an appeal against her conviction. The decision of the court will be announced in early July.

On June 6, Electricity Authority (Kib-Tek) general manager, Gurcan Erdogan, and his driver, have been remanded in custody pending trial after being charged with 522 counts of causing losses to Kib-Tek by committing corruption. It is claimed that Erdogan allowed his driver to 'fraudulently claim' overtime payments. Erdogan had been brought before the Nicosia District Court in 2018 on various charges including 'false statements and reports by a public official, forgery of documents, abuse of authority and financially damaging the institution', and was released on bail pending trial for those alleged offences.

Kudret Ozersay, the leader of the People's Party (HP) and a former foreign minister and chief negotiator, is no longer an MP after his resignation was approved by Parliament on June 6. All 42 of the MPs present approved Ozersay's resignation.

Covid-19 pandemic made a comeback on the agenda after the latest figures showed case numbers

drastically going up. On June 22, the Communicable Diseases High Committee re-introduced the mask requirement at 'crowded meetings and events held indoors'. The decision was taken as the TRNC saw a 177 percent rise in weekly case numbers, from 310 as of June 14, to 859 as of June 21. A week later, on June 28, the weekly case number reached 1,499.

Labour Relations and Trade Unions

On June 17, a protest march against the soaring prices was held in Nicosia. The demonstration was organized by the Communal Existence Platform, made up of trade unions across the political spectrum. The march was supported by the opposition political parties including the Republican Turkish Party (CTP) and the People's Party (HP). The march ended in front of the Parliament building where the crowd called on the resignation of the government. They also waved banners and placards with messages such as 'No to poverty and extinction', 'Ban non-unionised labour', 'Nationalise the fuel companies', 'Link the minimum wage to the lowest public sector salary' and 'Wealth tax for the ultra-rich'. Earlier in the month, on June 6, the same trade unions held another protest against the high rate of inflation, the 2022 Turkey-TRNC Economic and Financial Cooperation Protocol, and proposed changes to defamation laws. This time they used their cars to block the road outside Parliament. Cyprus Turkish Shopkeepers and Artisans Chamber coordinator, Hurrem Tulga, read out a statement on behalf of the Platform, saying that the TRNC is experiencing 'the worst crisis in its history'. 'Decision-makers have rolled up their sleeves to crush the people with all their might,' Tulga said. 'They don't care about poverty, increasing hunger, unemployment and emigration in the country. Every day we worry about being faced with a new price hike and a new tax. A minimum wage workers' commute alone costs a third of their salary. Along with other compulsory expenses such as electricity and gas, it is not clear what will be left of that salary.'

Newsletter No.121 JUNE 22













Ahmet Serdaroglu, the head of the Federation of Free Trade Unions (Hur-Is), said in a statement that people working in the private sector and earning the minimum wage are living in poverty because of rampant inflation. Noting that Hur-Is represents the interests of employees in the Minimum Wage Determination Commission, Serdaroglu said that he had made an official request for the commission to convene and begin formal negotiations to set a new minimum wage. Cyprus Turkish Public Servants' Union (KTAMS) chairperson, Guven Bengihan, said that as of the end of May, a family of four needs to spend at least 8,676 TL on essential food items alone, while the net monthly minimum wage is currently 6,090 TL. Noting that the minimum wage was last increased in January (2022) but the Turkish lira has lost value each day, Bengihan stated that the March 2021 minimum wage of 3,828 TL was equivalent to £332 while the current minimum wage of 6,090 TL is worth just £291.

On June 28, some members of the Electricity Authority Employees' Union (El-Sen) called on the union's leader Kubilay Ozkirac to resign citing the failure of the union administration to set a date for a general meeting of the union, which they claim should have taken place in May or June. On June 29, El-Sen's executive board announced that a general meeting had been scheduled for July 30.

On June 29, cleaning staff hired by a private company subcontracted by the Ministry of Education to work in schools, held a demonstration outside the Prime Ministry building demanding to be employed directly by the state and have their wages and social security paid on time. The protesting workers pointed out that they have not received any payment for their work in two months, and have not had their social security contributions paid for the last six months, plunging them into financial insecurity and poverty at a time when the cost of living is rising rapidly. Supported by the Public Workers' Union (Kamuls), some of the 230 affected workers chained themselves to each other in a line, resembling "slaves", in order to highlight the poor conditions and lack of

payment they say they have been subjected to. Lale Bicim, the education secretary of Kamu-Is, said that workers are not paid during school holidays, while the private companies continue to be paid "full salaries" by the state.

Newsletter No.121 JUNE 22













IMPRINT

Friedrich-Ebert-Stiftung

Office Cyprus 20, Stasandrou, Apt. 401 CY 1060 Nicosia

Tel. +357 22 377 336 Email: office@fescyprus.org Web-Site: www.fescyprus.org Facebook: www.facebook.com/FEScyprus

Twitter: @fescyprus

Text:

Hubert Faustmann, Yiannis Charalambous, Sertac Sonan, Enis Porat, Gianna Chatzigeorgiou and Sophia Papastavrou

Layout: Stadtformat Einig & Kazmierczak GbR

If you want to subscribe to this (free) monthly newsletter, please fill in the form on our website: www.fescyprus.org/newsletter/

If you want to unsubscribe please click the link in your FES Newsletter mail.

Newsletter No.121 JUNE 22







