

# 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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Labour Relations and Trade Unions

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# FES CYPRUS NEWSLETTER

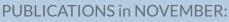


PODCASTS in DECEMBER: No podcasts in December

PODCASTS in NOVEMBER: No podcasts in November



PUBLICATIONS in DECEMBER: No publications in December



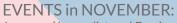
Emine Eminel Sülün Repowering the Mediterranean: Reflections on Grid Infrastructure Diplomacy Occasional Paper Series 6 in Cooperation with PRIO Cyprus Centre Policy Paper

### Emine Eminel Sülün

Exploring the Political Dynamics of the EuroAsia, EuroAfrica, and Türkiye-North Cyprus Interconnector Projects: Implications for Cyprus Occasional Paper Series 7 in Cooperation with PRIO Cyprus Centre Policy Paper



EVENTS in DECEMBER: No events planned in December so far



with Ioannis-Soterios Ioannou (Journalist and Foreign Affairs Analyst, Kathimerini) "Grab A Cypriot Coffee" Cyprus as a Humanitarian Hub amidst Crises Date:Tuesday, 7<sup>th</sup> of November Time: 10:00 am to 10:30 am (EEST / Cyprus time) Location: Zoom-Seminar

> Journalist Seminar 2023 Date: Friday, November 10<sup>th</sup>, 2023 – Sunday, November 12<sup>th</sup>, 2023 Location: Home for Cooperation Closed Event

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### **CYPRUS PROBLEM**

In October, meetings resumed between the negotiator of the Greek Cypriot side, Menelaos Menelaou, and the Special Representative of the Turkish Cypriot leader, Ergün Olgun, with the participation of the UN Secretary General's Special Representative in Cyprus, Colin Stewart. Menelaou and Olgun held two meetings with Stewart's participation in the first two weeks of October. The Cyprus News Agency reported that the two negotiators reviewed the work of the bicommunal Technical Committees and the situation as regards the general political environment after the deliberations that took place in the framework of the recent UN General Assembly, in view of the expected appointment of a UN envoy. Their last meeting had taken place at the end of July 2023.

On October 23, construction on the road between the villages of Pyla/Pile and Arsos/Yigitler began after a mutual understanding was found to solve the buffer zone dispute. The road is set to connect Pyla/ Pile directly with the north,<sup>1</sup> satisfying the Turkish Cypriot requirement for a safe and quick passage through the buffer zone. Among the plans for the area are designs of 400 plots of land north of the village which are set to be turned into residential properties and a large solar farm, set to be built in a vacant area northwest of Pyla/Pile. This area of mutual understanding came as part of a "civil use area", with stakeholders hoping that the existence of such an area will foster deeper cooperation between Greek Cypriots and Turkish Cypriots living there. The understanding rules out the possibility of Turkish military personnel entering into the area of the buffer zone west of Pyla/Pile, addressing Greek

<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 Cypriot concerns. The placement of checkpoints is yet to be finalised.

On October 26, President Nikos Christodoulides announced that the UN had informed him about the Secretary General's decision to proceed with the appointment of a specific personality ("envoy") who will undertake to look into the prospects for the resumption of negotiations from where they were suspended in July 2017 at Crans Montana. While Christodoulides did not reveal a name, by month's end media reported that Turkey rejected the appointment of Australian Julie Bishop as a UN envoy, due to her nationality allegedly because both Cyprus and Australia are members of the Commonwealth of Nations. In an interview with daily Politis on October 29, Stewart warned that the appointment of the new UN envoy should be seen as the last chance to solve the Cyprus problem, as the island's division is becoming more entrenched with time.

#### **BICOMMUNAL RELATIONS**

According to the Turkish Cypriot Chamber of Commerce (KTTO), the Green Line trade went up by 12.9% in the first half of 2023 compared to the same period in 2022 and reached  $\in$ 7.68 million. Prefabricated containers were the top-selling item, accounting for 26% of the sales, while the top five products remained consistent with the previous year's figures: Construction materials were second on the list ( $\leq$ 1.74 million), followed by wooden furniture ( $\leq$ 1.46 million), plastic products ( $\leq$ 1.06 million), and fresh fish ( $\leq$ 374,377). Introduced by the European Union (EU) in 2004, the Green Line Regulation governs the movement of products originating in the northern

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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part of the island to the southern part, facilitated by the KTTO.

On October 20, the President of the House of Representative in the south, Annita Demetriou, met with Mine Atlı, the leader of the Turkish Cypriot social democratic party TDP. Both expressed their commitment to a bizonal, bicommunal solution to the Cyprus problem.

On October 26, a workshop was organised in Nicosia by the Cyprus Peace and Dialogue Centre, the Glafcos Clerides Institute and the Next Century Foundation. The workshop focused on the sustainability of water and energy resources and on waste management in Cyprus in the context of a peaceful and lasting settlement on the island.

### **HYDROCARBONS**

According to energy expert Charles Ellinas, the Israel-Hamas war could cast a shadow over the development of gas resources in the Eastern Mediterranean. A long-running conflict could delay projects and final investment decisions and cause doubts and concerns in the minds of international investors. Meanwhile a report by Germany-based ratings agency Scope Ratings noted that Cyprus and Egypt are currently experiencing more immediate credit risks compared to other nations due to the Israel-Hamas conflict. The agency stated that Cyprus is in the spotlight as it largely relies on Israel for its oil and gas supplies.

A series of developments occurred in October with regards to the EuroAsia Interconnector, the project that involves the electrical interconnection of the national power grids of Israel, Cyprus and Greece via submarine cable:

• On October 13, Energy Minister George Papanastasiou stated that Cyprus' decision on whether to participate in the EuroAsia Interconnector will be made immediately once the study for the project is submitted in mid-November.

- On October 20, the electricity transmission operators of both Cyprus and Greece signed a memorandum of understanding regarding the provision of technical services from Greece to Cyprus.
- On October 23, EuroAsia Interconnector Ltd, the Cypriot company behind the subsea power cable, left the project as the company is reportedly being wound down. Greece's Independent Power Transmission Operator (IPTO) has taken over from the Cypriot company as the project promoter. Greece's IPTO is 51% owned by the Greek state. The State Grid Corporation of China has a 24% stake, with the rest owned by other investors.

On October 24, Politis reported that the talks between Cyprus and CHEVRON over the development of the Aphrodite field are reaching an impasse although government spokesman Konstantinos Letymbiotis appeared optimistic that there would be a positive conclusion to the talks by the November 5 deadline. The key sticking point appears to be the construction of a Floating Production Unit ("FPU"), which the Cypriot government has been arguing for, while CHEVRON has instead proposed connecting Aphrodite through a subsea pipeline to the existing processing and production facilities offshore Egypt. Not building an FPU would save CHEVRON €1bn. The US company is among the operators of the Aphrodite field with a 35% stake along with SHELL (35%) and Israeli firm NEWMED ENERGY (20%).

### **GREEK CYPRIOTS**

#### Economic Developments

As per the Cyprus Statistical Service, a total of 487,350 tourists arrived in Cyprus in September, marking an increase of 17.9% over the previous year.

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From January to September 2023, the country welcomed 3,136,145 tourists compared to 2,540,554 in the corresponding period of 2022, an increase of 23.4%. Arrivals from the UK were the main source of tourism in September, with a share of 34%, followed by Israel with 11.7%, Poland with 6.7%, Germany with 5.5% and Sweden with 4.6%.

On October 19, the government announced the reinstatement of the electricity subsidy from November 1 to February 29 as part of a raft of measures aimed at helping people through the cost-of-living crisis. The package will cost a total of €196 m. Other measures announced included a decision to reduce the tax on fuel by 8.3 cents per litre from November until February and a reduction of the consumption tax on heating oil by 6.3 cents per litre from December until March. Additionally, VAT on meat and vegetables will be scrapped between December to the end of May.

According to Cyprus Central Bank (CBC) Governor Constantinos Herodotou, who cited forecasts made by the Central Bank in September, the growth rate of the Cypriot economy is expected to reach 2.4% in the current year, accelerating to 2.7% in 2024 and further to 3.1% of GDP in 2025. However, he also noted that these predictions were formulated before the outbreak of the conflict in Israel, introducing an element of uncertainty concerning the potential repercussions on the Cypriot economy, dependent on the duration, intensity, and scale of the conflict. Regarding public finances, Herodotou noted that they recorded a 3% surplus of GDP from January to September, attributed to both economic growth and increased revenues resulting from high prices. With regards to the banking sector, Herodotou stated that despite ongoing challenges, Cypriot banks continue to demonstrate resilience. Herodotou also reported that non-performing loans had not increased by July 2023.

On October 24, the government announced its plan to tackle "the housing problem" as it said that €77m will be spent over the next five years in assistance for securing housing.

According to a report released by the CBC on October 25, the total value of deposits in Cyprus witnessed a substantial increase of €87.7 m in September 2023, marking a recovery after two consecutive months of decline. The total deposits balance for September 2023 reached €52 bn, compared to €51.7 bn in September 2022. According to a banking lending survey, conducted by the CBC for 2Q 2023, lending criteria for both businesses and households in Cyprus remained tight during the second quarter of 2023, reflecting the cautious approach adopted by Cypriot banks. Loan demand decreased across all categories, primarily due to high interest rates and reduced demand for financing fixed investments and purchasing durable goods. Another CBC report noted that Cyprus' real estate market witnessed a record number of sales during the second quarter of 2023, reaching a level not seen in 15 years. Property prices, especially for apartments, have continued to rise, driven primarily by increased demand. The majority of property transactions involved domestic buyers. However, the largest annual increase in sales came from foreign investors.

#### **Domestic Developments**

On October 17, a leaked bribery audio of a discussion between EDEK party leader Marinos Sizopoulos and former party member and EU MP Demetris Papadakis surfaced, sparking an exchange between the two. In the conversation, Sizopoulos and Papadakis reportedly discussed funds allocated from the EU for hiring staff at the MEP's local office. The party leader was heard requesting two EDEK members be given positions at the MEP's local office. Papadakis reportedly claimed that it is illegal for MEPs to hire people the party tells them to and then those same people to work for the party offices. In an announce-

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ment, EDEK claimed that the dialogue was illegally recorded. Papadakis from his end argued that one of Sizopoulos' colleagues recorded the conversation without his knowledge. Papadakis stated he would file a complaint with the Cyprus anti-fraud authority against Sizopoulos over the issue of the recording. In 2021, Sizopoulos filed a complaint to the European anti-fraud office (OLAF) against Papadakis.

On October 20, former Transport Minister Yiannis Karousos announced his intention to run for the first elected Famagusta Governor. Karousos called his former party DISY to endorse his candidacy. The district government elections will be held in June 2024.

On October 22, the committee of the Green Party announced that a general party conference and elections will be held on November 26. The decision was taken a few days after Charalambos Theopemptou, who took over the party's leadership from Giorgos Perdikes in 2020, resigned from his post citing personal reasons. Green MP Alexandra Attalides also resigned from the party citing the party's "catastrophic" position on the Cyprus problem and lack of unity with the European Greens. Attalides also claimed that some members attacked her for supporting queer rights. Former party leader Giorgos Perdikis announced his intention to compete for the party's leadership for the remainder of Theopemptou's term to help bring back unity in the party.

On October 24, the potential impact of the ongoing crisis in Gaza and any potential further escalation were discussed at a meeting of the National Security Council. The council also discussed preventative measures that can be taken to prepare Cyprus for such an eventuality, as well as Cyprus' role in terms of providing humanitarian aid and moves to help repatriate third country nationals through the island. A proposal from Christodoulides for a humanitarian corridor between Gaza and Cyprus is reportedly in advanced stages. During the month, German special forces arrived on the island in order to assist with evacuating German citizens and diplomatic staff, while contingents from the Netherlands and the US also arrived on the island. Interior Minister Constantinos Ioannou warned on October 24 that developments in Israel and Gaza could impact Lebanon's ability to monitor its shores, raising the risk for an increased influx of migrants trying to come to Cyprus. On October 27, Cyprus abstained from a United Nations General Assembly vote on a resolution calling for a "sustained humanitarian truce in the Middle East". The government argued that it wanted to maintain a balanced position.

On October 26, a new political party on the island called Volt Cyprus was officially launched. The party came to life following the merger of the "Famagusta – For Cyprus" party and the "Neo Kyma" political movement, with the aim of establishing a new political force in Cyprus. Volt Cyprus will become a member of pro-European and European federalist political party Volt Europa and will focus on the reunification of the island.

#### Labour Relations and Trade Unions

On October 5, the employees at three hotels in Paphos went on a 24-hour work stoppage to demand for the payment of the Price Index Adjustment (PIA) and the establishment of a collective agreement. The trade unions report that the company that owns these hotels has not cooperated to implement the legislation on PIA. The legislation provides that the 50% of PIA should have been provided on January 1 and 66.7% on June 1, as agreed between the state and the social partners. In addition, the company has violated the collective agreement by not paying the 13th salary in December for many years. Moreover, they do not compensate employees for overtime work on Sundays as provided in the relevant legislation.

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On October 18, the Low Wage Public Servants Initiative postponed their planned strike as a gesture of goodwill and in order to give the government time to respond to their demand to speed up the promotion of low paid civil servants to a higher wage scale. However, the Independent Union of Civil Servants of Cyprus (ASDYK), as well as the Pan-Cyprus Union EQUALITY, which support the Initiative, called on the government "to take advantage of the leeway it is given and to proceed immediately to a substantial dialogue with the Initiative and all the trade unions that represent the affected employees." It is emphasised that in the event that there is no positive development by October 30, 2023, the unions will fully support any new strike action taken by the Initiative.

On October 25, the staff of the State Health Services Organisation (OKYpY) went on an eight-hour general strike in state hospitals. The workers' assemblies decided to escalate into strike action as the Organization did not accept to sign a collective labour agreement that was similar to existing employee contracts of the wider public sector, because it did not address concerns regarding staff members who work under personal contracts. Also, the organisation has not proceeded to recruit new employees to cover the needs in all specializations in OKYpY, whether they concern medical, nursing, paramedical, administrative or hourly staff. OKYpY's proposal to the trade unions concerns the conclusion of a collective labour agreement with guaranteed wage increases for all staff each year, an indexed allowance and an additional annual increase without a salary ceiling. The trade unions note that the joint technical committee, which was set up by the trade unions and OKYpY, agreed that the cost of the collective agreement does not create a problem of financial viability for the organisation and that the OKypY law provides for the conclusion of a collective labour agreement. It was noted that "despite the long period of time that was given from the day the strike was announced, there was no substantial intervention by

the Ministry of Health and the Government".

On October 27, the Ministry of the Interior and the trade unions agreed to meet to examine labour issues concerning the reform of the Local Government. The unions submitted a memorandum to the Minister of Interior with their positions on a range of issues including housing policy, labour policy in the context of local government reform and immigration policy:

- With reference to the new housing policy, they stated that there should be a much greater possibility for social housing because the need for social housing does not only concern the most vulnerable strata of society but also the lowand middle-income households and especially young households. They therefore consider it necessary to have an organisation oriented towards funding under specific criteria.
- Regarding immigration policy, they said that "especially for the issues concerning the employment of workers from third countries, these must go under a single umbrella which will be the Ministry of Labour". In relation to the creation of the Deputy Ministry of Immigration, they mentioned that there was an agreement with the Ministry of Foreign Affairs that it "must deal holistically with the issues of asylum seekers", such as, among others, the issues of social support and benefits, adding that "all services must be under the single umbrella of the Deputy Ministry of Immigration".
- With reference to the issues of the municipalities, they stated that the reform of local administration leaves "many open issues", concerning the staffing of the District Self-Governing Organisations (DSOs). They believe that the DSOs should provide a rational utilisation of staff for their development within the new municipal entities so that they are not left to purchase services from the private sector.

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food inflation was recorded as 3.3%.

On October 31, the workers of the Social Insurance Services (SSI) branch of the Ministry of Labour went on strike. According to a relevant announcement from their representatives, the reasons for the strike concern the non-compliance with the agreement reached in 2021 between the Ministry of Labour, the administration of the ministry and PA.SY.DY (the Pancyprian Federation of Public Sector Employees). The agreement referred to the restructuring of the Social Welfare Services and in this context included the expansion of the scientific structure and the future abolition of the technical structure of the department, the purpose of which was to efficiently address the challenges arising from the change in the organisational structure. In particular, the agreement concerns the creation of progressive positions at all levels of the technical structure for all officials who are candidates for promotion based on the service plan and the maintenance of the organisational structure in the department. The organisational structure, as stated, intends to ensure the balance of the working relationships between the officers of the two structures and, in the transition stage, to study the service plans of the two structures, since they differ from each other in terms of the duties they perform. The implementation of the measure, will substantially contribute to the promotion of equality among workers in the department, including the recognition of the principle of equal pay for work of equal value, in order to avoid any inequalities and discrimination.

## **TURKISH CYPRIOTS**

#### **Economic Developments**

According to the Statistical Institute, the consumer price index was 78.6% higher in October 2023 compared to October 2022. Consumer prices had risen by 1.9% in October alone. The highest monthly inflation was in the "clothing and shoes" segment, where an increase of 16.9% was recorded. The monthly According to a report by Turkish Cypriot weekly, Cyprus Today, the ongoing property boom is driving a change in the profile of new businesses opening particularly in coastal areas such as Kyrenia, Famagusta and Iskele (Trikomo), which attract lots of foreign house buyers. Data from the Chamber of Shopkeepers and Artisans (KTEZO) show that while small businesses, particularly in the food and beverage sector, are steadily going out of business, brokers, consultants, and real estate agents, primarily run by foreign citizens, are taking their place. KTEZO coordinator Hürrem Tulga, who was interviewed for the report, said that approximately 800 new workplaces have been opened in the first seven months of the year, with 250 of them linked to the real estate sector. This trend is particularly prominent in Iskele (Trikomo), where around 70 new businesses have been established in the first seven months of the year, nearly 50 of which are real estate related, Tulga said. Tulga also highlighted similar developments in Kyrenia and Famagusta. He further pointed out that most of these new businesses, particularly in consultancy and real estate, are owned by "third country" citizens. "While real estate consultancy is on the rise, food and beverage sectors are in decline. Of the 2,000 food and beverage businesses that have opened since 2015, 1,000 have now closed." Tulga pointed out that businesses in the food and beverage sector which can attract customers from the southern part of the island are the ones most likely to survive. "[Locals] have no money left to spend on restaurants ... this sector is shaped mostly by Greek Cypriots and foreigners," he added.

Relations with Turkey There is nothing to report.

#### Domestic Developments

On October 27, hundreds of Turkish Cypriots took to the streets of Nicosia in a mass anti-government

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protest organised by the main opposition Republican Turkish Party (CTP). The CTP aims to put pressure on the coalition government to force it to resign. Although it was organised by CTP, some independent politicians also endorsed the march. Most notable among them was the son of former Turkish Cypriot president Rauf Denktas, Serdar Denktas, who retired from active politics following the 2020 presidential election and after having served as a member of parliament for 30 years. He marched side by side with CTP leader Tufan Erhürman, and they were also joined by independent members of parliament and Mehmet Küçük, the son of former Turkish Cypriot leader and the Republic of Cyprus Vice President Dr. Fazil Küçük. Mehmet Ali Talat, who served as the Turkish Cypriot president between 2005 and 2010, was also in attendance.

According to the results of a face-to-face survey conducted by the Centre for Immigration Identity and Rights Studies (CMIRS) with 500 people in September 2023, 90.3% of Turkish Cypriots think that things are going in the wrong direction in the country; since September 2021, the quarterly survey results consistently show that, nine out of ten Turkish Cypriots share this conviction. According to the participants, the most important challenges faced by the country are economic problems, the Cyprus problem, incompetent political leaders, inflation, unemployment, and corruption, respectively. Also, 63.8% think that their economic situation will be worse in two years, while 24.6% think that it will remain the same. Only 11.5% expect their economic situation to improve. Moreover, 80.3% of those who participated in the survey think that the country's economy will get worse in the next two years, while 11.5% think that it will remain the same; only 8% think that the TRNC economy will improve. The survey results also showed that interpersonal trust is very low among Turkish Cypriots: on a scale of 10, where 10 indicates the highest level of interpersonal trust, the Turkish Cypriot social capital score was

measured as 2.52. Furthermore, the Accountability and Good Governance Barometer section of the same survey showed that the country fared worst in the following areas (scale of 10): "Accountability of those who govern us" (2.11), "transparency of the government decisions" (2.24), "justice in income distribution" (2.48); the best score, on the other hand, was 4.99, which was in "freedom of thought and expression". Participants were also asked about the influence of Turkey and religion: 82.8% of those who participated in the survey stated that they agreed with the statement that recently there has been an increase in the intervention by Turkey in the internal affairs of the TRNC. The rate of those who stated that they did not agree with this view was only 7.1%. Furthermore, 64.9% of those who participated in the survey think that Turkey's growing intervention is a bad thing, while 35.1% expressed the view that this was a good thing. On religion, 60.9% think that the influence of religion has increased recently; 14.5% did not agree with this statement. A majority of those who participated in the survey, 71.3%, think that the growing influence of religion is a bad thing, while 28.7% think that it is a positive thing. Finally, the least trusted institutions (on a scale of 5) are the government (1.77), political parties (1.80), parliament (1.85) and the president (1.97), while the police and the judiciary are the most trusted ones with 3.38 and 3.28, respectively.

According to a report in Cyprus Today, a parliamentary committee is working on an anti-money laundering bill. The bill, entitled "Preventing the Laundering of Criminal Proceeds Bill", has been in Parliament since 2014 but has never been ratified and is currently being revised. Speaking to Cyprus Today's sister newspaper Kibris, committee chairperson and ruling National Unity Party (UBP) MP Resmiye Eroğlu Canaltay and main opposition Republican Turkish Party (CTP) MP Fikri Toros expressed their shared belief that the existing law needs amending to align with European Union directives and the Financial Action

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Task Force (FATF) standards introduced in 2012. Canaltay pointed out that Turkey is on the "grey list" concerning money laundering and so is the TRNC due to its use of Turkey's banking system, and that there is a joint effort to remove both countries from this list. Canaltay highlighted discussions with officials from Turkey's Financial Crimes Investigation Board (MASAK) and the development of legislation in line with EU directives and FATF criteria. Although the bill has been gathering dust since 2014, Canaltay expressed the government's commitment to finalising it during the current parliamentary session, with plans to present it to Parliament in the coming days after receiving the Attorney General's input. Toros echoed the spirit of cooperation between the government and opposition and the urgency of passing this "very important" law. "We are determined.... We have a common desire for a law that will be passed unanimously," he said. "We have an anti-laundering law that has been in effect since 2008. ... We need to align with the international fight against laundered money in line with the EU's relevant directive. This is why we are working on this law."

The investigation into the "fake prescription" scandal, which had started in September continued in October. According to Esra Aygin's report for Cyprus Mail, well-known doctors and pharmacists, including former elected officials, were arrested and brought to court in handcuffs one after the other. Most of those arrested have been released on bail after spending at least one night in detention under reportedly very bad conditions. The scheme is believed to have cost the Turkish Cypriot administration TL60 m (over €2 m) just in 2023. Put simply, the investigation concerns fake medical prescriptions forged by some pharmacists in the name of patients eligible for social insurance benefits and signed by some doctors. By pretending to sell the medication to the patients and submitting the fake prescriptions to claim money, the pharmacists were wrongfully compensated by social insurance. While some of the signing doctors were paid by the pharmacists per signature, it is understood that others are alleging an abuse of trust, where they gave signed prescriptions to pharmacies and didn't realise what was being done with them. The barcodes of the medication in question were removed, and they were either sold to other patients or disposed of.

The trial of journalist Ali Kismir, who faces ten years in prison for "insulting" the armed forces, was postponed two times. The trial was initially scheduled to begin on October 6, but was pushed back three weeks, before being postponed for another four weeks until November 27. The postponement came after Kismir's lawyer, Hasan Esendağli, requested to meet with the attorney general regarding the case. Kismir stands accused of "insulting and defaming the morality of the TRNC Security forces command", an accusation which dates to a post he wrote on Facebook in August 2020. In the post, he likened a restaurant attached to the TRNC Security Forces command to a "brothel" after allegedly a meeting took place where the Turkish ambassador met some UBP parliamentarians to convince them to support Ersin Tatar in the run-up to the presidential election.

#### Labour Relations and Trade Unions

According to the Minister of Labour Sadık Gardiyanoğlu, only some 58% of registered employees in the northern part of the island are TRNC citizens. As of August, the records of the Social Security Department indicate there were 116,970 people registered as employees of which 67,306 are "TRNC" citizens, 30,374 are citizens of the Republic of Turkey, and the remaining 19,230 are citizens of other countries. He also pointed out the problem of unregistered workers.

Public Servants Union (KTAMS) calculated the hunger line for a family of four as TL17,074 ( $\in$ 589) as of the end of September. In the statement, the union

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stated that the difference between the minimum wage and the hunger line increased to TL1,324 ( $\in$ 46).

Metin Atan, the president of the public officials' trade union Kamu-Sen, said that the minimum wage should be set at the same level as the lowest public sector salary. In a written statement, Atan emphasised the importance of equitable pay and suggested that the salary scheme applied in the public sector based on educational attainment should serve as a model for setting the minimum wage in the private sector too. Atan points out that implementing such measures would help alleviate the financial burden on minimum wage earners - a majority among almost 100 thousand employees who work in the private sector. He also indicated that initiatives will be undertaken to address this issue. Furthermore, Atan criticised the practice of convening "around a table" to determine the minimum wage, asserting that the government should take proactive steps to shield the private sector from "collapse". Atan insisted that there is sufficient wealth in north Cyprus and proposed that "income inequality and informality" in the economy can be addressed by imposing higher taxes on the more affluent while reducing the burden on those with lower incomes. He underscored the need for comprehensive reform, particularly in ensuring that "everything in the country is not tied to exchange rates".

Teachers at 19 secondary schools went on strike over an ongoing dispute regarding the Education Ministry's decision to implement afternoon classes two days rather than one as it used to be. The chairperson of the secondary education teachers' union (KTOEOS), Selma Eylem, said the strikes had been organised "to share with the public the problems experienced" at all schools. She added that rolling strikes will take place in all schools, with other schools' teachers to strike in the coming days. The government, which plans to move to "full-day education" in stages, had announced earlier that this would begin in the 2023-2024 academic year, with afternoon classes provided two days a week — Mondays and Tuesdays — instead of only on Mondays. Eylem criticised the decision to "switch to full-time education without any preparation" and said that the current timetables will "lead to chaos in education, and create security and nutrition problems." The union's general secretary Tahir Gökçebel called on Education Minister Nazım Çavuşoğlu to resign, saying "he has nothing to offer education".

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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.

#### Gianna Chatzigeorgiou

Gianna Chatzigeorgiou holds a Bachelor's degree in Sociology from the University of Crete and a Master's in Social and Political Theory from the University of Cyprus. Her research interests include issues of collective action and social movements, political violence, social class, and social inequality.

#### 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.

### **Enis Porat**

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