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FES CYPRUS NEWSLETTER

## EDITOR'S NOTE

The Friedrich-Ebert-Stiftung in Cyprus celebrates its 10th anniversary. To mark the occasion the FES newsletter has a new design and we hope you share our excitement over the new look.

Now, nearly at the end of the year, we want to thank you for your interest in our newsletter.

We wish you a Merry Christmas and all the best for 2022.

Newsletter No.  
114  
NOVEMBER 21

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### PODCASTS in DECEMBER:

*Hubert Faustmann, Hrishabh Sandilya, Michael Goeken and Sylvia Chumuru*  
**Migration 2.0 Podcast Episode 9 – Project Phoenix’s Fellowship Program and Migrant Entrepreneurship**  
(in English)



### PODCASTS in JANUARY:

*No podcasts in January*

*Hubert Faustmann and Hrishabh Sandilya*  
**Migration 2.0 Podcast Episode 10 – The Annual Review**  
(in English)

### PUBLICATIONS in DECEMBER:

*Yiannos Katsourides and Leandros Savvides*  
**ELAM’s Political Evolution: Secular(ish) Pandemic Politics and Electoral Success, 2021 Report**  
(in English, German)



### PUBLICATIONS in JANUARY:

*No publications in January*

### EVENTS in DECEMBER:

*No events in December*



### EVENTS in JANUARY:

*No events in January*

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## FES CYPRUS NEWSLETTER

## CYPRUS PROBLEM

In November, the UN Secretary General appointed a new envoy on the Cyprus problem, following a meeting in New York with the respective Greek Cypriot and Turkish Cypriot leaders Nicos Anastasiades and Ersin Tatar in late September.

On November 4, United Nations Secretary-General António Guterres announced the appointment of Mr. Colin Stewart of Canada as Special Representative in Cyprus and head of UNFICYP. A press release issued by the UN stated that Stewart will also perform the role of Deputy to the Secretary-General's Special Adviser on Cyprus. Stewart is expected to arrive in Cyprus in early December, succeeding Ms. Elizabeth Spehar also of Canada. Mr. Stewart has more than 28 years of experience in peace and security issues as well as international affairs. He was a member of Canada's diplomatic service from 1990 to 1997. He recently served as Special Representative of the UN Secretary-General and Head of the UN Mission for the Referendum in Western Sahara from 2017 to 2021. He previously worked as Deputy Chief of Staff of the United Nations Office at the African Union in Addis Ababa and as head of Political Affairs in the UN Mission in Timor-Leste between 2007 and 2009.

On November 5, the government announced that it would be closing the Ledra Street crossing in Nicosia for 48 hours on November 9, to install a gate at the main pedestrian crossing to the north of the island. Pro-reunification supporters protested the action, arguing that the government had turned the Ledra crossing into a hard border. Meanwhile, according to a written statement issued by the UN Secretary General's Good Offices Mission in Cyprus, as of November 22, once again negative test results will be

<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

required for those who would like to cross to the other side of the island at the checkpoints. The decision followed the assessment of the bicomunal technical committee on health, which downgraded the conditions on both sides of the island to Dark Red from Orange.

On November 15, in a message to mark 38 years since the unilateral declaration of independence of the Turkish Republic of Northern Cyprus<sup>1</sup> (TRNC), Turkish Cypriot leader Ersin Tatar reiterated his position of a two-state solution in Cyprus.

On November 16, the Cyprus News Agency reported that the European Commission has prepared a detailed classified report on everything that has been taking place at Varosha since July 20, 2021, in a bid to verify accusations issued by the Republic and to map out Turkey's role in the events taking place in the area. The paper will not only include suggestions on how the EU should respond to the situation in Varosha, but also a detailed account of the current situation, drawing also from the findings of the report.

On November 16, the Turkish Cypriot Primary School Teachers' Union (KTOS) urged all the schools in the north to take part in the bicomunal education project "Imagine." KTOS said not only is "Imagine" a multifaceted education project, but it also creates an important opportunity to bring the two communities closer especially with the "Anti-racism and Peace Culture Education" program, launched in October 2017 with the agreement of the two community leaders at the time. Sharing statistics from 2020, KTOS pointed out that 5,091 students and 582 teachers had taken part in the training the previous year. The trade union added that 340 teachers had taken part in mono-communal and bicomunal

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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Peace Culture Education training and 92 school principals took part in conferences organized by the project. The Imagine project aims to contribute to the development of confidence-building measures between the two communities, KTOS said the Imagine Project entails concepts such as fighting against discrimination; developing the ability for critical thinking; awareness of disadvantaged groups, equality and tolerance, racism, discrimination, and xenophobia. The Imagine program is supported by the German embassy.

According to the head of the Immovable Property Commission ("IPC"), Novber Ferit Vechi, the number of applications concerning properties in Varosha has risen from 280 in February 2020, to 338 in October 2020, when 3.5% of the fenced off area was opened by the Turkish Cypriot authorities, to 410 today. The IPC was set up in 2006 by Turkey in the north as a domestic remedy for claims of Greek Cypriots owning properties in the northern part of the island. It has the authority to decide on restitution, compensation or exchange of property.

On November 19, UNFICYP confirmed that an agreement has been reached between President Nicos Anastasiades and Turkish Cypriot leader Ersin Tatar to introduce 5G across the island. According to a statement, the agreement was reached due to extensive work carried out by the Technical Committee on Broadcasting and Telecommunication over the past two years. In addition, it was concluded by Greek Cypriot negotiator Andreas Mavroyiannis and the Turkish Cypriot Special Representative, Ergun Olgun, with the facilitation of the outgoing UN secretary-General's Advisor on Cyprus, Elizabeth Spehar. Based on the terms of the agreement, TV broadcasting systems will be removed from the 700 MHz frequency band, transitioning from analogue to digital broadcasting, with the support of the EU, allowing the allocation of the 700 MHz frequency band to 5G mobile services.

On November 12, a series of leaked minutes taken on July 6, 2017 during the Crans Montan Confer-

ence on Cyprus which ended in a deadlock, were revealed by Greek Cypriot daily Phileleftheros. The minutes released by Phileleftheros pertained to two meetings:

- The first on 1pm local time, between Guterres and Turkish Foreign Minister Mevlut Cavusoglu: Here, Guterres asked Turkey's foreign minister "what Turkey's red lines were, taking into account the talks of the previous days;
- The second leaked series pertained to the meeting between Guterres and President Anastasiades at 6pm. Here: "The Secretary-General shared in confidence with Mr. Anastasiades Turkey's proposal to abolish the Treaty of Guarantees and to end the unilateral right of intervention";

According to the leaked minutes of the meeting between Guterres and Cavusoglu, the Turkish Foreign minister clarified that for Turkey the Greek Cypriot demand of zero troops, zero guarantees was "a non-starter". He added that Turkey could accept the renaming of the Treaty of Guarantee to the "Implementing Treaty" with four parties. At the initial stage the Treaty would include the right to unilateral action if joint action by all parties ("to deal with acts of concern") would not be possible. Regarding the proposed cutback of troops on the island, Cavusoglu stated that a significant reduction of troops could be made with the start of the implementation of the solution and that the Alliance Treaty could be structured as a new Treaty, but should include provision for the permanent presence of Turkish troops. According to the minutes of the meeting between Guterres and Anastasiades, "The Secretary - General informed that Turkey had presented to him some ideas confidentially. Based on the confidential paper from Turkey, the Secretary-General was of the view that there was an opening on the issue of security and guarantees. Turkey indicated its intention to abolish the 1960 Treaty of Guarantees, and to end

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the unilateral rights of intervention. The Treaty of Guarantees could be replaced by an implementation and monitoring mechanism. Although Turkey was not in a position to accept the complete withdrawal of all its troops from Cyprus, it might happen at a later date” the document reads. Anastasiades stressed that he could not accept Turkey’s role in the implementation and monitoring mechanism and that to have Turkish troops continue stationed in Cyprus would be “unacceptable to him”. Guterres confirmed once again that Turkey would be willing to have an immediate and significant reduction of its troops. He argued that the “Treaty of Guarantees was flawed and now that Turkey was finally willing to give it up it would be a good thing for the 37% of the island to be united with the rest”. He also argued that the end of the Treaty of Guarantees is “a real opening for negotiations”. According to the document, Anastasiades responded that he “would never accept a half agreement, an agreement that dealt only with guarantees, unilateral rights of intervention but nothing about troops”. He demanded the complete withdrawal of troops from day one and repeated that he could not accept such an agreement and he could not present it to the Greek Cypriots.

On November 21, Greek Cypriot Daily Politis also published the minutes from the final meeting-dinner of the Conference, held on 9:15pm among all parties and delegations, which shed light on how the meeting concluded unsuccessfully. What was evident from the leaked minutes was that for the first time in the history of negotiations on the Cyprus problem, Turkey, was willing at least until some point of the conference, to address the issue of Guarantees, by relinquishing the 1960 Treaty of Guarantees and abolishing the unilateral right of intervention in the context of a settlement “where all necessary elements were in place” as reported in the documents. Turkey was also willing to reduce its troops on the island, although not from day one of a settlement. According to the minutes of the final meeting on 9:15, in order to replace the Treaty of Guarantee, an im-

plementation monitoring system was presented by Guterres to the parties, in the form of a non-paper, in which the UN and Guterres personally would have played an important role and which gave no executive power to Turkey, Greece and the UK. What was also evident throughout these minutes, was Cavusoglu’s reluctance to provide Turkey’s proposals to the Greek and Greek Cypriot delegation on paper, due to concerns of them being leaked. Instead, Turkey’s proposals were relayed to the Greek Cypriot or Greek side indirectly through Guterres, or sometimes verbally through Cavusoglu. The Greek and Greek Cypriot sides on the other hand, insisted on several occasions that they should be presented in writing and with clarity on Turkey’s proposals and seemed hesitant to show any trust in what Guterres was proposing, or what Cavusoglu was verbally offering. It was also clear that the Greek Cypriot side also insisted on the removal of all Turkish troops from day one, which was a red line for Turkey and a deal breaker for the conference.

The majority of Greek Cypriot media and Greek Cypriot parties, with the exception of Politis and AKEL, reported that the leaked Crans Montana minutes confirmed Turkey’s intransigence, vindicated Anastasiades’ stance and downplayed the fact that not only was the issue of Security and Guarantees discussed, but that proposals were given on the issue either through Guterres or through Cavusoglu. In response to a criticism by AKEL concerning the deadlock in Crans-Montana, Anastasiades stated that it was evident in the UN meeting minutes that Turkey had never discussed or accepted the abolition of the 1960 Treaty of Guarantee and reiterated that “what caused the talks to collapse was Turkey’s insistence on guarantees and on the presence of an increased number of occupation troops, compared to the proposal for a military contingent for a certain period of time, as provided for by the Treaty of 1960.” Anastasiades also argued that taking into account the presence of a sizeable number of settlers, the Turkish demand for a positive vote, the perma-

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ment presence of troops as well as guarantor rights, a possible acceptance of a solution with the respective content would have turned Cyprus into a vassal state or a protectorate of Turkey. He also spoke of “mythmakers or distorters” of the UN documents.

### HYDROCARBONS

The Eastern Mediterranean Conference & Exhibition (EMC) was held in Nicosia between November 10 to 12. The three-day EMC event focused on a wide range of crucial issues relating to the environment, energy, international trade and issues concerning the Eastern Mediterranean region. Addressing the conference Energy Minister, Natasa Pilides, presented a number of projects that seek to end Cyprus’ energy isolation. The first project mentioned was the EuroAsia and EuroAfrica Interconnectors, which involves the interconnection of Israel, Cyprus and Greece’s electricity grids (via Crete), with a high voltage direct current offshore cable. The other two projects included the liquefied natural gas (“LNG”) import terminal at Vassilikos, a project that has received political and financial support from the European Union, as well as the EastMed pipeline, which is estimated to require five years to complete.

Speaking to the Cyprus News Agency on the occasion of the EMC, Deputy Managing Director of China Petroleum Pipeline Engineering, Duan Bingquan pledged his determination to bring natural gas to Cyprus, which is scheduled to be delivered at the end of June 2023. Cyprus and a consortium led by China Petroleum Pipeline Engineering Co Ltd signed a contract for the construction of the nearly €300m infrastructure for the import of LNG at the Vassiliko port for electricity generation, a project described as the biggest ever in the field of energy in Cyprus. The LNG terminal will include a floating storage and regasification unit (“FSRU”), a jetty for mooring the FSRU, a jetty-borne gas pipeline and related infrastructure. The project with an estimated worth of €290m has secured a €101m grant from the EU un-

der the Connecting Europe Facility (“CEF”) financial instrument. The rest of the financing will come from Cyprus Electricity Authority’s participation in the share capital of the Natural Gas Infrastructure Company (“ETIFA”) with €43m and through financing by the European Investment Bank and the European Bank for Reconstruction and Development, with €150m and €80m, respectively.

The Search and Rescue Centre (JRCC) issued a navigational warning (Navtex) concerning the appraisal well to be carried out by US based EXXONOBIL and QATAR PETROLEUM in the “Glaucus” field in block 10 of Cyprus’ Exclusive Economic Zone (“EEZ”). The appraisal well, expected to be carried out between the end of November and early December marks the resumption of the hydrocarbon activities in the Cypriot EEZ following its disruption due to the pandemic. In its Navtex message, the JRCC notes that preparation works and drilling operations will be conducted from November 19 until January 30, 2022. The exploratory drilling carried out in 2019 in block 10 led to the discovery of the “Glaucus” field estimated to hold a natural gas reservoir of 5 to 8 trillion cubic feet of natural gas. A joint venture of Italy’s ENI and France’s TOTAL, holding the concession on block 6, is expected to plan a new drill in the first half of 2022.

### GREEK CYPRIOTS

#### Economic Developments

In its 11th Post-Programme Surveillance Report on Cyprus, the European Commission (“EC”) reported that Economic activity started recovering from the sharp recession as of the first half of 2021, driven mainly by domestic demand, although tourism activity still remains well below the pre-pandemic level. According to an announcement by the Ministry of Finance, the EC’s report also notes that Cyprus’ fiscal situation continues to reflect the impact of the pandemic on the economy and sizable fiscal support





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measures, although a clear improvement is expected for the next years. The Commission also points out that the banking sector is weathering the COVID crisis rather well.

According to data released by the Cyprus Statistical Service ("Cystat") on November 19, tourist arrivals reached 391,638 in October 2021, reflecting an increase of 288.6% year-on-year. Tourist arrivals in October 2020 reached 100,791 visitors, while 436,509 tourists visited Cyprus in October of 2019. For the period between January and October of 2021, tourist arrivals totaled 1.691,030 million tourists. This represents an increase of 175.9% year-on-year, with the corresponding figure from last year being 612,975 tourists. However, this is still 54.3% down on 2019's figure of 3.697,055 million tourist arrivals. Arrivals from the United Kingdom were the main source of tourism for October 2021, with a share of 31.8% (124,501) of total arrivals. The UK was followed by Russia with 19.6% (76,613), Germany with 7.1% (27,623), Poland with 4.1% (16,154), Greece with 4% (15,669) and Ukraine with 3.9% (15,254).

On November 18, Rating Agency Standard and Poor's revised Bank of Cyprus' outlook, the country's largest lender, to positive from stable, following a new NPL transaction titled "Helix 3" which would reduce the banks non-performing loans ratio to single digits, for the first time since the 2013 financial crisis. The agency expects the bank's NPL ratio will be about 9% following the transaction, materially below 25% as of year-end 2020, showing that BoC is close to completing its balance-sheet clean up from the previous financial crisis. The agency also affirmed its 'B+/B' long- and short-term issuer credit ratings on the bank.

On November 18, to the credit ratings agency DBRS Morningstar's commentary report stated that Cyprus' economy is recovering at a swifter rate than previously thought, with real GDP on track to reach pre-pandemic levels by the fourth quarter of this year. The report also noted that despite the pres-

ence of risks and challenges, Cyprus' favourable medium-term growth prospects will allow the country to amend its public finances and continue with efforts to streamline and polish its banking system.

Inflation in Cyprus reached 4.4% during October of this year, according to the European statistical service ("Eurostat"). Cyprus' inflation figure is slightly above the European Union average of 4.1%. October's inflation percentage was up 0.8% from September's figure of 3.6%, while the inflation rate in the same month of the previous year was -1.4%.

### Domestic Developments

In November the COVID 19 cases increased from 124,444 to 134,446. The number of deaths attributed to the virus increased from 574 to 597. A 66% increase in cases was noted in the last two weeks of the month. As part of new measures taken to curtail the spread of the virus, the health ministry announced that children from the age of five will be eligible for the vaccine. New restrictions were also announced including the extension of COVID-19 SafePass and obligatory use of masks for children aged six and above. The SafePass for children is in the form of either a certificate of recovery from the virus in the past six months, or a negative test not older than seven days. The new measures led to protests and demonstrations by angry parents. More than 80% of the population have received both doses of the vaccine. Authorities are on alert for the arrival of the new and highly contagious Omicron variant.

In a statement on November 25, the presidency rejected suggestions that it had refused to attend a meeting of the House ethics committee that discussed the so-called Pandora Papers, which implicated two Cypriot law firms, including the one bearing President Nicos Anastasiades' name. Opposition MPs censured the presidency for not appearing before the committee, along with the Legal Service and the anti-money laundering unit, which also failed to attend the meeting, held on November 24. The Pandora leaks exposed the offshore financial dealings

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of many leaders worldwide, who allegedly stashed assets in covert companies and trusts. Anastasiades has repeatedly denied any wrongdoing after the law firm he founded was accused of hiding the assets of a former Russian senator behind fake beneficial owners in a secret report filed with financial regulators in the British Virgin Islands.

#### Labour Relations and Trade Unions

On November 25, teachers in the afternoon and evening programs of the Ministry of Education, protested outside the Parliament, against their employment status as service providers and demanding their conversion into employees of the Ministry of Education. The employees are asking for the abolition of the special status in which they are since 2013.

On November 23, a work stoppage of Port Workers and Sailors took place at the Eurogate Container Terminal Limassol and DP World Limassol terminals in the port of Limassol and the port of Larnaca. The reason for the stoppage is the employers' negative stance towards employee requests for the renewal of the Collective Labor Agreement (CLA) that expired on 31 Decemer 2021. The company also demands the abolition of the Providence Fund and an increase of the weekly workhours to 48. Currently the weekly workhours are 40. It is noted that the company has not yet responded to the mediation proposal of the Department of Labor Relations of the Ministry of Labor that took place on 6 September 2021 and which was accepted by the Trade Unions. This mediation aimed at the resolution of a labor dispute that arose last August. The measures are expected to escalate if there are no positive developments leading to the renewal of the CLA.

On November 10 the Trade Unions, in a letter to the Director of the Department of Labor and the Deputy Director of the Department of Labor Relations of the Ministry of Labor, informed that they withdraw their signatures from the Collective Agreement on Agriculture/Livestock for 2021-2022 in case the

commitments mentioned in another letter, which was sent in last July are not fulfilled. Specifically, they request that the Advisory Committee for the granting of work permits starts its operations. Moreover, they demand that granting of work permits must be given when there is a signed Agreement that the Trade Unions have agreed with Agricultural Organizations. Also, when such permits are approved, the Trade Unions demand to be informed about their number and recipient, while they ask for the operation of inspection teams with representatives of the Ministry of Labor, Trade Unions and Agricultural Organizations to monitor and regulate the residence and working conditions of employees. Lastly, they demand that penalties for employers who violate the agreements should be determined.

58 employees of KEDIPEs chose to exit voluntarily, while the administration expected that 130 people would do so. Consequently, the company proceeded to the evaluation of all legal actions provided by the legislation, including the examination of possible surpluses. However, with a joint announcement of the SEK and PEO trade unions as well as an ETYK circular that followed, clearly state that they will not accept surpluses as a solution for reducing labor costs.

#### TURKISH CYPRIOTS

##### Economic Developments

In November, the Turkish Lira drastically sank and as a result shed almost 30% of its value against the euro. The drop in the value of the TL which started following a decision by the Turkish Central Bank to lower interest rates has turned into a historic crisis. As, among others, loans for car or house purchases are typically set in hard currency, for many people paying the monthly instalments have now become very difficult. Furthermore, the depreciation of the TL led to price hikes in all imported items and undermined the purchasing power of the people.

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According to the Statistical Institute consumer price index rose by 5.52% in November compared to the previous month pushing the 12-month inflation level to 27.39%.

On November 28, the Minister of Education Olgun Amcaoglu announced that the number of students enrolled in the TRNC universities has reached 108,295, hitting a new record. 22,688 new students had enrolled this year alone showing positive signs that the higher education sector was recovering from the pandemic. Amcaoglu pointed out a 25% increase in the number of new enrolments compared to the 2018-2019 academic year.

According to the Tourism and Planning Department, the occupancy rate at hotels and resorts has gone up in the first ten months of 2021. While the occupancy rate for hotels from January to October last year was 18.9%, it was 27% in 2021. The occupancy rate for October alone this year stood at 40.7% almost ten times higher compared to the same period of the previous year.

Turkish Cypriot weekly Cyprus Today reported that according to Cyprus Turkish Chamber of Shopkeepers and Artisans (KTZEO), small businesses which were offered special loans to help them weather the downturn triggered by lockdowns are now struggling to pay these loans back. The fall in the value of the Turkish Lira and recent hikes particularly in fuel prices have led consumers cutting back on spending further depressing demand and making it more difficult for small businesses to make their payments. It was also announced that the number of businesses registered at KTZEO fell from 12,670 to 10,768 because of the pandemic. 'A total of 1,902 businesses closed during the pandemic due to economic hardships - 910 in Nicosia, 498 in Kyrenia, 404 in Famagusta, 31 in Trikomo and 59 in Morphou and Lefke'.

On November 24, the Turkish Cypriot Chamber of Commerce (KTTO) issued a statement where it criticized the government for coming up with an unrealistic budget for 2022. The KTTO said 'the 2022 budget which is currently being debated in the par-

liament is yet another proof that the Turkish Cypriot politicians and public administration are not acting in line with the realities of the country.' KTTO added that although the depreciation of the Turkish lira in the past weeks and the coronavirus pandemic pose serious threats to the Turkish Cypriot economy, the 2022 budget is mainly designed to channel revenues and resources to payment of salaries of the public sector and debt payments. 'This is nothing but a total waste,' KTTO concluded.

According to the chairperson of the Board of Directors of the Turkish Cypriot Electricity Authority (KIB-TEK), the Authority is incurring losses up to 50m TL (€4.3m) a month because the government is insisting on selling electricity below cost prices. At the same time, the Authority is experiencing difficulties solving power faults and breakdowns because experienced staff are retiring.

#### Relations with Turkey

Following his meeting with his Turkish counterpart, Fatih Donmez, the new Minister of Economy and Energy of the TRNC, Sunat Atun announced that two 25MW electricity generators would be assigned to the TRNC by Turkey. Donmez noted that they also discussed converting the existing fuel-oil operated power plants in the TRNC to natural gas.

#### Domestic Developments

In November, the number of Covid-19 cases increased from 22,614 to 28,871 while the number of deaths attributed to the virus increased from 88 to 101.

On November 1, President Ersin Tatar gave the newly elected National Unity Party (UBP) leader Faiz Sucuoglu the mandate to form a new government. On November 5, Sucuoglu announced the UBPs coalition with the Democratic Party (DP). As its predecessor, the new government is also a minority government and relies on the backing of MPs who resigned from People's Party (HP) and Rebirth Party (YDP) a year earlier. In the new cabinet, Sunat

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Atun from the UBP replaced Erhan Arikli from the Rebirth Party (YDP) as Minister of Economy and Energy, while Ali Pilli from the UBP replaced Unal Ustel as the Health Minister. No other changes have been made to the previous cabinet.

The new cabinet is as follows:

- Prime Minister: Dr. Faiz Sucuoğlu
- Deputy Prime Minister and Minister of Tourism and Environment: Fikri Ataoglu (DP)
- Minister of Foreign Affairs: Tahsin Ertugruloglu
- Minister of Interior: Kutlu Evren
- Minister of Finance: Dursun Oguz
- Minister of Public Works and Communications: Resmiye Canaltay
- Minister of National Education and Culture: Olgun Amcaoglu
- Minister of Economy and Energy: Sunat Atun
- Minister of Agriculture and Natural Resources: Nazım Cavusoglu
- Minister of Health: Ali Pilli
- Minister of Labour and Social Security: Koral Cagman (DP)

On November 8, the government programme was read out and on November 13, the new government won a vote of confidence (27-19) in the parliament. Prime Minister Sucuoğlu said that his government's priority would be to take the country, struggling with the economic effects of the Covid-19 pandemic to early elections. The Parliamentary Advisory Committee on November 8, announced that an agreement has been reached amongst the political parties to hold early elections on January 23, 2022. This was unanimously approved at the General Assembly of the Parliament later in the month and the election schedule and restrictions came into effect as of 26 November.

On November 29, the Higher Electoral Council announced the new distribution of MPs according to the districts. With a population of 79,189, Nicosia will have 16 seats; Famagusta with a population of

62,237 will have 13 seats; Kyrenia with a population of 53,261 will have 11 seats (one seat up). Trikomo (Iskele) with a population of 25,228 will have five seats; Morphou (Guzelyurt) with a population of 17,490 will have three seats (one seat down) and Lefke with a population of 8,464 will have two seats. The final list of candidates will be announced on December 26, 2021, and the draw for the order of candidates on ballot papers will be held on December 27. The official propaganda and campaigning period will begin on December 28. The last day for publishing opinion poll results will be January 8.

On November 25, the 2022 state budget was approved. The new budget, which was set at 12.77 billion Turkish Lira (€902 million) was approved by the TRNC parliament with a unanimous vote.

#### Labour Relations and Trade Unions

On November 5, three public sector unions (KTAMS, Kamu-Sen and Kamu-Is) held a half-day general strike and protest against price hikes in front of the Prime Minister's office; the same day a new government was formed.

In Famagusta Municipality, which is entangled in financial difficulties, 23 employees had been laid off. Both the trade union (Magusa Genel-Is) and the Municipal Council members blamed the mayor and attributed the layoffs to clientelistic practices and excess spending. As of late the Famagusta Municipality has frequently made headlines with reports of a financial crisis.

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