



## 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.  
138  
NOVEMBER 23

The FES-Newsletter  
Team wishes all our  
readers a  
Merry Christmas  
and a wonderful year  
2024!

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## FES CYPRUS NEWSLETTER

### CONTENT

EVENTS, PODCASTS, PUBLICATIONS 3

CYPRUS PROBLEM 4

BICOMMUNAL RELATIONS 5

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

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Newsletter No.138 NOVEMBER 23

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2





## FES CYPRUS NEWSLETTER

### PODCASTS in DECEMBER:

*Hubert Faustmann and Emine Eminel Sülün*

#### [Beyond the Divide in Cyprus](#)

#### [A Call for a Collaborative Humanitarian Assistance](#)

#### [Agenda Amidst Current Migration Crises in the](#)

#### [Eastern Mediterranean](#)

(In English)

*Hubert Faustmann and Emine Eminel Sülün*

#### [Navigating Water: A Comprehensive Approach to](#)

#### [Resolving Mediterranean Water Challenges](#)

(In English)

*Hubert Faustmann and Emine Eminel Sülün*

#### [Exploring the Political Dynamics of the Mediterra-](#)

#### [nean Interconnector Projects](#)

(In English)

### PUBLICATIONS in DECEMBER:

*Emine Eminel Sülün*

#### [Beyond the Divide in Cyprus](#)

#### [A Call for a Collaborative Humanitarian Assistance](#)

#### [Agenda to Address the Migration Crises in the Eas-](#)

#### [tern Mediterranean](#)

Policy Paper

*Emine Eminel Sülün*

#### [Key Water Challenges in the](#)

#### [Eastern Mediterranean](#)

#### [A Call for Regional Cooperation](#)

Policy Paper

*Emine Eminel Sülün*

#### [From Crisis to Cooperation](#)

#### [Addressing Mediterranean Water Governance](#)

#### [through Coordinated Action](#)

Policy Paper

### EVENTS in DECEMBER:

*No events planned in December so far*



### PODCASTS in DECEMBER:

*Hubert Faustmann and Emine Eminel Sülün*

#### [Repowering the Mediterranean](#)

#### [Reflections on Grid Infrastructure Diplomacy](#)

(In English)

### PODCASTS in JANUARY:

*No podcasts in January*



### PUBLICATIONS in JANUARY:

*No publications in January*



### EVENTS in JANUARY:

*No events planned in January so far*

Newsletter No.138 NOVEMBER 23

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## CYPRUS PROBLEM

The month of November started with UN Under-Secretary-General for Peace Operations Jean-Pierre Lacroix visiting the island between November 1 and 3. As part of his visit, Lacroix held discussions with the respective Greek Cypriot and Turkish Cypriot leaders, Nicos Christodoulides and Ersin Tatar, regarding recent developments within the buffer zone and the work of the UN Peacekeeping Force to maintain peace and stability on the island. He also visited the area around the mixed village of Pyla/Pile and stressed that the implementation of the October 2023 mutual understanding about the creation of a road to the north in exchange for development around the village was essential.

On November 6, construction works in the buffer zone in and around the village of Pyla/Pile by Greek Cypriot workers, as per the mutual understanding of October 2023, were halted, following a request for a “short pause” from the UN. The request came after a few days of heightened tensions in the area and after the Turkish Cypriot Foreign Minister, Tahsin Ertuğruloğlu,<sup>1</sup> had demanded on November 1 that the Greek Cypriot side “immediately stop work” in the buffer zone. “It is a mistake to think that in return for this road project we will give something to the Greek Cypriots.... This is the mistake the UN made”, Ertugruloglu stated. The mutual understanding reportedly allowed the Turkish Cypriot side to build a road between Pyla/Pile and the village of Arsos/Yiğitler in the north. The Greek Cypriot side was allowed to build residential properties and a solar farm in the area.

<sup>1</sup>The Turkish Republic of Northern Cyprus (TRNC) is only recognised by the Republic of Turkey. While for Turkey and the Turkish Cypriots, Ersin Tatar serves as President of the TRNC, the international community considers him the communal leader of the Turkish Cypriots. As the government of the Republic of Cyprus remains internationally

On November 21, Government Spokesperson Konstantinos Letymbiotis stated that the mutual understanding on construction in and around the village of Pyla/Pile is being renegotiated while Christodoulides also stated that the Turkish Cypriot side had effectively “backed away” from the mutual understanding of October 2023.

The month was marked by new breaches in the buffer zone by the Turkish army in the area of Ayios Dometios/Aydemet, which were recorded on November 27 and 29.

- The first incident involved an incursion by 40 Turkish troops who shouted at residents and installed a rotating camera and antenna in an abandoned building, reportedly for security purposes and for curbing illegal migration. A statement by the TRNC Foreign Ministry claimed that the abandoned building in question, known as “Maria’s house” (in Turkish Neriman’s house) is located within TRNC territory. The statement also noted that the Greek Cypriots had been carrying out provocative activities by installing floodlights and cameras on the guard posts opposite the empty building.
- The second incident involved Turkish soldiers entering the buffer zone in a military vehicle and leaving following verbal direction from UN-FICYP peacekeepers.

Following the incursion, Letymbiotis confirmed the activation of diplomatic and military measures along the UN buffer zone, while Christodoulides made mention of “visible and invisible actions” that will be taken by the government, some of which would

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).





not be made public. Military measures included the patrolling of the area by Greek Cypriot soldiers. As regards diplomatic measures, on November 30, the permanent envoy of the Republic of Cyprus to the UN, Andreas Hadjichrysanthou, sent a letter, under instructions, to the UN Assistant Secretary-General responsible for peace operations, Jean-Pierre Lacroix, as well as to the UN Deputy Secretary-General for political and peacekeeping affairs, Rosemary DiCarlo, requesting that UNFICYP ensure the restoration of the status quo and the reversal of the violations. UNFICYP spokesperson Aleem Siddique stated that unauthorised works inside the buffer zone are strictly prohibited. No changes have been effected since the initial incursion of Turkish soldiers into the buffer zone.

Speaking to Turkish Cypriot media outlet Bayrak, Huseyin İşiksal, a special advisor to Tatar, stated that the management of the buffer zone would be a topic of discussion during future negotiating talks on the Cyprus problem.

### BICOMMUNAL RELATIONS

Representatives of both Turkish Cypriot and Greek Cypriot political parties visited Northern Ireland in November. The representatives took part in the Cyprus Dialogue Forum, which charted Northern Ireland's course through intercommunal violence into the negotiations, agreement, and implementation of the Good Friday Agreement, which has seen the region at peace for two and a half decades. Eight political parties were represented at the forum, four Turkish Cypriot parties and four Greek Cypriot parties. The Turkish Cypriot parties present were the CTP, the DP, the HP, and the UBP, while the Greek Cypriot parties present were AKEL, DISY, DIPA, and the Green Party.

On November 20, the European Commission has launched the new "EU One Stop Shop Supporting

Green Line Trade and Businesses" service in Nicosia. It is designed to provide information and technical assistance to businesses and individuals who are, or are interested in, trading across the Green Line. Commissioner for Cohesion and Reforms Elisa Ferreira said: "Increasing Green Line trade is one of the Commission's priorities in Cyprus. Green Line trade brings people and businesses together and offers important economic opportunities for businesses from both communities. By fostering trade, we can help to build trust and confidence among the two communities." The One Stop Shop will provide easy access to information on procedures for Green Line trade to both Greek Cypriot and Turkish Cypriot businesspeople. It will also inform on the EU standards and requirements that Turkish Cypriot products need to comply with when they are placed on the EU market. The service will employ experts who speak Greek, Turkish and English, will offer a new trilingual website, and will organise networking events for producers and traders. Green Line trade is governed by the EU's 2004 Green Line Regulation, which sets out the terms in which people, goods and services can cross the Green Line. The One Stop Shop is financed from the EU aid programme for the Turkish Cypriot community, which aims to facilitate Cyprus' reunification. The EU has allocated €688 million to the aid programme since 2006. According to the figures provided by the Turkish Cypriot Chamber of Commerce, sales of goods from the north to the south were up by 12.9% in the first half of 2023 compared to the same period in 2022, reaching around €7.68 million.

### HYDROCARBONS

US based energy firm CHEVRON was given a soft deadline until December 1 to set out its position in writing in response to a letter sent by the government concerning the commercial development of the Aphrodite offshore gas field. It was the latest in a series of extensions afforded to the company in the





ongoing back-and-forth with the government. Part of the dispute related to the construction or not of a Floating Production Unit (FPU) atop a future production well in the Aphrodite field.

On November 30, during the EMC 2023 (Eastern Mediterranean Conference & Exhibition), Energy Minister George Papanastasiou conceded that Cyprus cannot become an energy hub in the Eastern Mediterranean, as it lacks the necessary infrastructure. "I believe that given their track record, Egypt and Israel are far ahead [of Cyprus] in natural gas resources and because of the infrastructures already in use", the Minister said. His comment marked a departure from the rhetoric heard on and off over the past decade, after former Energy Minister Yiorgos Lakkotrypis in 2013 first spoke of the island becoming a regional energy hub. In his presentation, Papanastasiou referred to the government's plan that includes actions to reshape the island's energy mix, also known as "Gas to Power". He noted that liquefied natural gas (LNG) will be imported to generate electricity for the domestic market via CYGAS (Natural Gas Public Corporation) while Cyprus will increase its renewable energy production which it could export through the EuroAsia Interconnector cable connecting the island to Greece and Israel. On the offshore gas discoveries, Papanastasiou said the top option remains to transport the gas to Egypt, for either domestic consumption there or for re-export.

## GREEK CYPRIOTS

### Economic Developments

On November 21, Hellenic Bank announced robust financial results for the first nine months of 2023, posting an after-tax profit of €240.7m, primarily attributed to increased interest income derived from placements with Central Banks, other financial institutions, and debt securities.

Scope Ratings, a German rating agency, upgraded the long-term rating of the Republic of Cyprus from BBB to BBB+, maintaining a stable outlook for the Cypriot economy. This upgrade, according to the German agency, is attributed to Cyprus's robust economic fundamentals, extremely favourable fiscal prospects, the positive trajectory of its public debt, and the improvement in the vulnerabilities of its banking sector. However, challenges persist for the Cypriot economy, as highlighted by Scope, such as its small and open economic structure, high levels of non-performing loans, and increased borrowing. Meanwhile in a country-by-country global banks report, rating agency Standard and Poor's stated on November 21 that the ability of Cypriot banks to reduce operating costs while investing in digital transformation will be key to offsetting inflationary pressure and still-high credit provisions.

On November 23, the European Commission projected a significant 30% decrease in Cyprus' public debt, as a percentage of its Gross Domestic Product (GDP), by the end of 2024. This projection was voiced within the framework of the European Semester, as the Commission greenlit the draft of Cyprus' state budget for 2024, aligning it with the Council's recommendation from July 2023.

According to Lakis Mesimeris, an official with the Department of the Environment, a carbon tax is slated to kick in early 2024 while electricity bills will remain high due to the purchase cost of carbon emissions allowances. According to Mesimeris, the public in 2023 will be saddled with €300m going to the purchase of emissions allowances which might skyrocket to €500m by 2024. Mesimeris said realistically Cyprus won't be able to meet its "green" targets for 2030: "To reach the target of 24% [in greenhouse gas emissions] we'd need to have about 80,000 electrical cars by then", the official stated.





According to the preliminary fiscal results released on November 30 by the Cyprus Statistical Service, Cyprus has recorded a surplus of €918.9m, representing 3.1% of the Gross Domestic Product (GDP), for the period of January to October 2023. In comparison, during the same period in 2022, the surplus stood at €691.5m, equivalent to 2.5% of the GDP. Total revenue for the January-October 2023 period increased by €1.05bn (11.8%), reaching €10bn, compared to €8.97bn in the corresponding period of 2022.

### Domestic Developments

A global investigation titled “Cyprus Confidential” claimed to show how Russian influence in Cyprus and on local service providers helped oligarchs and billionaires structure their wealth over the years preceding the 2022 full-scale invasion of Ukraine. The investigation, compiled by the International Consortium of Investigative Journalists (ICIJ) and the Organised Crime and Corruption Reporting Project (OCCRP), dealt extensively with corruption, evading sanctions ahead of the EU’s response to the Russian invasion of Ukraine, how Russian wealth was allegedly shielded, relations with Russia, the role of the banking sector and of independent institutions, and the well-documented golden passports scandal. The investigation claims to reveal Cyprus pivotal role in shielding the wealth of oligarchs and powering the Putin regime. It specifically referred to leaked documents showing that staff at PwC Cyprus hurried to restructure companies belonging to Russian oligarchs as the prospect of sanctions loomed.

On November 26, AKEL’s statutory conference took place, where party members approved changes to the party’s structure aiming at modernizing the party. The party leader will now be elected by the party’s congress rather than its central committee. In addition, there will now be a hard limit of two terms for MPs and MEPs representing the party, and elected officials will now be banned from holding positions

within party offices while also in public office.

On November 27, Cypriot MEP Demetris Papadakis introduced his new political party, named “Aichmi” – the Democratic Movement for Change. The former EDEK MP highlighted the need for change in the political system, citing deep-seated issues of credibility, transparency and accountability. The party aims to function as an open platform for bidirectional communication and meaningful participation of every citizen in Cyprus. Speaking about the Cyprus problem, Papadakis referred to it as the “pinnacle of our problems” and expressed his pessimism for a resolution under current conditions.

On November 27, MP Alexandra Attalides announced her decision to join the Volt Cyprus party. Attalides had defected from the Green Party in October 2023, citing the party’s catastrophic position on the Cyprus problem and its lack of unity with European green parties. Her joining Volt Cyprus was announced a day after Giorgos Perdikis was re-elected as Green Party leader following a three-year hiatus. The other candidate for the Green’s leadership was Efi Xanthou.

On November 30 2023, the audit service issued a special report on police activity in 2023. The report cited that the transportation of the president’s children using service vehicles was illegal and an abuse of power. According to the audit service, the problem was that the service vehicles could not be used to drive the children alone with security officers. The police issued a statement saying the president’s children can be transported in service vehicles following a police order. The police emphasised that it is allowed to transport individuals at risk for their protection. Another abuse of power case that emerged related to former President Nicos Anastasiades who, according to Greek Cypriot media Philenews, owned two pistols that may be owned by the state: one licensed to him in 2004 and one that had been





## FES CYPRUS NEWSLETTER

given as a gift to him from King Abdullah II of Jordan in 2018. Regarding the first instance in which Anastasiades was given a gun, the security committee of the police reportedly had given the green light in an application he filed to be able to hold a firearm, after a threat had been made against his life and that of his family in 2004. The issue with the latter, as per the audit office report, was that it was given to Anastasiades under his title of President of the Republic, which made it state property and not personal property.

On November 30, Justice Minister Anna Procopiou met with EDEK Leader Marinos Sizopoulos to discuss immigration, judicial reform, juvenile delinquency, and a raft of other issues. Following the meeting Procopiou stated that the issues they discussed have been a major concern of public debate and that EDEK had many suggestions on how to make progress in their regard. Sizopoulos said he had received a detailed update on the ministry's plans at the meeting and said he had submitted constructive proposals.

### Labour Relations and Trade Unions

During November, trade unions and the Ministry of Finance continued the efforts to find solutions regarding low-wage workers in the public and wider public sector.

As reported by the trade unions participating in the social dialogue - Pancyprian Union of Civil Servants (henceforward PA.SY.DY.), Cyprus' Employees Confederation (henceforward SEK) and Pancyprian Federation of Labour (henceforward PEO) - the negotiations will continue on December 1 in hopes of reaching an agreement. On October 31, the two sides, trade unions and the Ministry of Finance, agreed on the principles for the wage increase of low-wage employees, after the unions' long-standing request to speed up the wage increase for those on the lowest paygrades. More specifically, the

agreement foresees employees promoted to the top of the scale after 18 years of service. This is instead of the 21 years that had been the requirement until now.

Negotiations continued in the hopes of reaching a collective agreement between OKYpY (State health Services Organisation) and trade unions. The main point of conflict is the salary increase for employees to be in line with the salary conditions in the public and wider public sector. So far, trade unions disagree with OKYpY's proposals but remain open to continue negotiations.

In addition, the unions expressed dissatisfaction with the proposal submitted by the Minister of Labour in relation to the actuarial reduction of 12% for those who have retired at the age of 63. At the same time, they expressed their readiness to engage in social dialogue to improve the proposal. In this context they participated in the Labour Advisory Body on November 6 where the Minister emphasised the effort to make decisions by the end of November or the beginning of December. The Labour Advisory Body also discussed the national employment policy, the adjustment of the national minimum wage and the ratification of the ILO Convention No. 81 on private employment agencies.

On November 6, the members of SEK, PEO and ETYK went on a three-hour strike at Hellenic Bank. The conflict concerns the renewal of the collective agreement that has been pending since 2018 in order to ensure that the same conditions apply to all employees without discrimination regarding their rights according to their experience and duties. Following the strike, the Minister of Labour invited ETYK and Hellenic Bank to the negotiation table in order to resolve the labour dispute.

On November 16, a new law on Remote Working was passed. The law states, among other things, that

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### Newsletter No.138 NOVEMBER 23

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## FES CYPRUS NEWSLETTER

remote working is optional and upon agreement between the employer and the employee except in cases of danger to the health of the public (and following the issuance of a relevant decree). In addition, the law foresees the obligation for the employer to cover the costs incurred by the employee, the provision of technical support, as well as to inform the employee in writing of essential working conditions that are different due to remote working within eight days.

On November 19, gamekeepers' members of the EQUALITY trade union went on a 24-hour strike outside the Presidential Palace. The main conflict concerns discrimination in terms of their pay, compared to civil servant gamekeepers who perform the same duties. In addition, as stated in their announcement, there are complaints about long working hours and outdated equipment. It is noted that members of other trade unions (PEO, SEK, DEOK, PASYDY) did not participate in the strike because they participate in the negotiations with the employer.

On November 20, the Minister of Labour announced that by the end of the year a new decree with a duration of two years will be promulgated concerning the national minimum wage. Cyprus introduced for the first time a national statutory minimum wage on January 1, 2023 with the provision to form a tripartite readjustment committee, and it was heavily criticised by the trade unions.

Furthermore, the Minister of Labour stated that the aim is to better regulate the terms and conditions of work and that a plan of action will be formulated to expand the coverage of collective agreements and the institutionalisation of basic safety and health training. Note that in Cyprus collective agreements are not legally binding and there is no extension mechanism.

On November 23, trade unions (PEO, SEK) issued a common announcement expressing serious con-

cerns regarding the working conditions in the newly established casino in Limassol, where mass layoffs are being reported. Trade unions demand the immediate intervention of the Minister of Labour as, further to the aforementioned layoffs, the unions report that the company is denying access to trade unionists and thus preventing the exercise of workers' legal rights to freedom of association.

On November 30, a new law regulating driver's licenses was voted. The law provides that the use of protective equipment is mandatory for professional motorcycle drivers, and it must be provided by the employer.

### TURKISH CYPRIOTS

#### Economic Developments

According to the Statistical Institute, the consumer price index was 82% higher in November 2023 compared to November 2022. Consumer prices had risen by 4.4% in November alone. The highest monthly inflation was in the "furniture, house appliances and household maintenance" segment, where an increase of 11.9% was recorded, with "clothing and shoes" segment coming a close second with 10.4%. The monthly food inflation was 8.7%.

According to the Central Bank's third-quarterly bulletin, the government ran a budget surplus of TL1.6bn (€54.7m) in the third quarter of 2023. Tax revenues increased by 97.9%, compared to the same period in 2022, reaching TL7.6bn (€260.7m). During the quarter, a total of TL883.5m (€30.5m) was borrowed through the issuance of treasury bonds while a repayment of TL2.1bn (€72.4m) was made, resulting in a net debt repayment of TL1.2bn (€41.4m). The bulletin also revealed that, as of September 2023, 84.7% of bank deposits were held in foreign currency, while only 15.3% were in TL.

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Newsletter No.138 NOVEMBER 23

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According to the figures revealed by private Turkish company T&T, which runs the Ercan (Tymbou) Airport, there has been a significant rise in passenger numbers and incoming flights at Ercan Airport in 2023. In the nine-month period from January to September 2023, the airport welcomed 2,859,120 passengers: an increase by 32% compared to the same period of 2022. Additionally, the number of flights arriving at Ercan in the January-September 2023 period increased by 17% to reach 19,375. Turkish Airlines, Pegasus, AnadoluJet, Fly KHY, and Sun Express have all expanded both flight frequencies and passenger volumes. Particularly, Turkish Airlines has introduced wide-bodied aircrafts on its north Cyprus flights, following the opening of the new Ercan Airport terminal and runway in July, marking a significant milestone.

According to the results of the household budget survey conducted by the Statistics Institute between July 2021 and July 2022, 14.4% of the population live below the poverty line. Compared to the previous survey held in 2014-2015, the Gini coefficient, a key indicator of income distribution, rose from 0.34 to 0.37, indicating a rise in inequality. Data showed that the bottom 20% of households receive only 6.5% of the total income, while the top 20% receive 43.6%. The survey also showed that with 21.6%, "housing, water, electricity, gas, and other fuel expenses" constituted the highest share of the household expenditures, followed by "food and non-alcoholic beverages" (20.5%), transportation (18.5%), and education services (6.1%). The results also showed a remarkable decline in "leisure expenditures" from 8.9% to 2.6% in the five-year period between the two surveys.

#### Relations with Turkey

Turkish officials congratulated the "people of TRNC" and pledged their further support on the 40th anniversary of the TRNC's foundation: "I wholeheartedly congratulate the November 15 Republic Day

of our brothers ..." Turkish President Recep Tayyip Erdoğan said on X, formerly Twitter. Turkey will continue to stand by Turkish Cypriots, he added. Foreign Minister Hakan Fidan, also writing on X, said that the TRNC is an integral part of the Turkic world: "We stand by the TRNC and the Turkish Cypriot people under all circumstances and conditions." The Ministry of Defence also voiced its strong support: "We will continue to stand by the Turkish Cypriots ...".

On November 14, the ruling parties of Turkey, Azerbaijan and the TRNC signed a cooperation agreement, which aims to further develop political relations between the three. The ceremony was held in Nicosia and attended by representatives of Turkey's Justice and Development Party, Azerbaijan's New Azerbaijan Party (NAP) and the TRNC's National Unity Party (UBP). The representative of NAP, Budagov said that the TRNC had taken its place as an observer member in the Organisation of Turkic States (TDT) with the support of Azerbaijan and Turkey, and emphasised that they would make the necessary efforts for the TRNC to gain more recognition in the international arena. He added that he believed that relations between the TRNC and the Turkic world will develop further through the TDT.

#### Domestic Developments

On November 15, celebrations were held across the northern part of the island to mark the 40th anniversary of the declaration of the TRNC.

Discussions about the population of the TRNC and the property boom triggered by demand from foreign nationals, which among other things contribute to the population growth, dominated the agenda in November. The last census in the north was conducted in 2011, which found the de jure population to be around 286,000. Based on this census result, the Statistical Institute announced last year a projected population of almost 400,000 as of the end of 2021. According to an article by Esra Aygin of Cyprus Mail,





which covered the population issue, this figure was found unrealistic by most including the head of the statistics institute, who acknowledged that the projection had a considerable margin of error because of the time that has passed since the last census in 2011. Senior researcher Mete Hatay from PRIO Cyprus Centre, who is an expert on the population in the northern part of Cyprus, was quoted in Aygin's article as saying "We know that the population is at least half a million, but we don't have the necessary details to make a healthy estimate". He adds that "in any case, at any given moment, Turkish Cypriots are a minority in the northern part of Cyprus". Hatay also pointed out that until a few years ago the non-Turkish Cypriot population was almost exclusively Turkish, but recently a tremendous number of people from other countries started to flow into the north. There are two main drivers: university students and homebuyers. According to the statistics provided by the Ministry of Education, as of the 2021-2022 academic year, there were around 50,000 students from overseas (and another around 40,000 Turkish students) at Turkish Cypriot universities. The other big group of foreigners living in the northern part of Cyprus are homebuyers. Speaking during a debate in Parliament on November 24, the Minister of Interior Dursun Oguz said: "In the last five years, 14,607 decisions were made by the Council of Ministers [to approve sales of property to foreign citizens including Turkish citizens] ... With Council of Ministers decisions, we have approved approximately 35,000 property sales in the last 23 years. ..." In response, the main opposition Republican Turkish Party (CTP) leader, Tufan Erhürman warned that the TRNC could be overwhelmed by population pressures: "If we do not quickly make the necessary regulations and plans regarding population, land, and property, this will cause major troubles for us both internally and externally". According to the Turkish Cypriot weekly Cyprus Today, the debate in Parliament came a day after the Turkish daily Milliyet reported that Turkey's National Intelligence Organisation (MIT) and

Foreign Ministry are monitoring the purchase of property in TRNC by foreign citizens, including British, Iranian, and Israeli nationals. The paper reported that during a budget committee session in the Turkish Parliament, the Foreign Minister Hakan Fidan (who was the head of the MIT before becoming the Foreign Minister) was asked about allegations that tens of thousands of donums of land in the TRNC have been purchased by intermediaries linked to Israeli nationals. "We are looking into these allegations; this was an issue we were looking into since my previous position", he said. "Israeli citizens rank 12th among all the countries with a total of more than 200 real estate purchase applications since 2000. In the last five years alone, a total of 15,000 applications for real estate purchases in the TRNC were from other countries, not Israel. While the UK has been in first place since 2000, Iran has moved to first place in the last five years...We are raising these concerns with the [North] Cyprus authorities..."

Earlier in the month, Turkish Cypriot Bar Association president Hasan Esendağlı pointed out the challenges in finding individuals fluent in other foreign languages, particularly from Africa and the Far East, who can also communicate effectively in Turkish. Esendağlı underscored that immigration regulation in the country is not as stringent as it should be, resulting in a significant increase in the number of people entering for illegal purposes and becoming involved in criminal activities. The Bar Association has consistently issued warnings about this laxness, he added.

According to a report by Cyprus Today, the People's Party (HP) has officially lodged a complaint with both the police and the Attorney General's Office concerning a reported US\$20m in losses incurred by the Cyprus Turkish Electricity Authority (Kib-Tek). The complaint alleges that Kib-Tek acknowledged these losses in court and it calls for an investigation into the responsibilities of key figures within the or-





ganisation, including the director, the chairman of the executive board, as well as relevant government bodies including the Council of Ministers. In their statement, the HP emphasised the urgent need for an inquiry, arguing that “much larger losses through fuel purchases were incurred, and the citizens have been made to pay the price for this”.

The Ministry of Social Security and the Bar Association extended a cooperation protocol between them that is aimed at providing legal aid to women who are victims of violence and face financial constraints. The protocol, initiated in 2018, offers free legal assistance to women who have been subjected to violence, sexual exploitation, or abuse, or those lacking financial resources to pursue divorce proceedings and enabling them to obtain protection orders. According to statistics from the Social Services Department, the number of women who applied for legal aid has increased over the years, from 55 in 2019 to 121 in the first nine months of 2023.

#### Labour Relations and Trade Unions

Five public sector trade unions held a demonstration to protest the electricity authority's (Kib-Tek) decision to increase tariffs by 15%. Members of unions representing civil servants, teachers, and other public sector workers joined the demonstration in front of the Kib-Tek offices in Lefkoşa/Nicosia .

The same trade unions also questioned the Statistics Institute's method of calculating the inflation rate. After the Institute announced the monthly rise in consumer prices for October as 1.92%. The month-on-month inflation rate was the lowest since May 2021 and followed the inflation rate of 11.44% in June, 9.9% in July, 8.14% in August, and 3.27% in September. During a press briefing held in front of the Prime Minister's office, the trade union representatives argued that the latest monthly inflation figure failed to accurately reflect the “actual” cost of living. They asserted that the current basket of

goods and services used to calculate inflation is outdated.

In mid-November, Hur-Is Federation, which represents the workers' side in the minimum wage determination commission, urged the government to call for a meeting of the commission to increase the minimum wage for the second time in 2023; the monthly minimum wage was revised in July. “Months have passed since the last minimum wage was determined. The government has taken no steps for those who make ends meet on the minimum wage”, the leader of the Hur-Is Federation, Ahmet Serdaroğlu said. Serdaroğlu said that minimum wage earners had been struggling to afford basic necessities such as heating and food, exacerbated by the recent 15% electricity price hike just as winter approaches.

However, a meeting of the minimum wage determination commission, held on November 28, ended without an agreement. Speaking at the beginning of the meeting, Serdaroğlu said: “action should be taken as quickly as possible by paying attention to the facts on the ground. ... As soon as the minimum wage is set, it becomes a poverty wage within a month. Retail prices have been going up for months ...”. However, Metin Arhun who represented the employers' side was of the opposite opinion. Arhun said: “It's not a good idea to keep the minimum wage issue on the agenda all the time. It is harming the country. ... [Regardless of what the Finance Ministry says], the entire business community is in serious trouble. Our motivation is low. Saying that wages may increase gives employees expectations and then they get disappointed when they are paid less.” The current minimum wage was set at TL15,750 in July. At the time, that minimum was worth €560, but, with the devaluation of the Turkish lira, it is now worth just €497.

Charges were brought against 22 teachers on November 16, for “battering” police officers and “impeding their duty” during a protest which took place





on August 2, 2022 outside the Ministry of Education. Meanwhile, the row over extending the teaching hours between the Ministry and trade unions continued.





## 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

Enis Porat is a PhD candidate in International Relations at Cyprus International University, where he works as research fellow at the Center for Cyprus and Mediterranean Studies.

### Sertac Sonan

Assoc. Prof. Dr. Sertac Sonan works in Political Science & International Relations Department at Cyprus International University. He is the Director of the Centre for Cyprus and Mediterranean Studies at the same university.





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Friedrich-Ebert-Stiftung

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

Tel. +357 22 377 336  
Email: [office@fescyprus.org](mailto:office@fescyprus.org)  
Web-Site: [www.fescyprus.org](http://www.fescyprus.org)  
Facebook: [www.facebook.com/FEScyprus](http://www.facebook.com/FEScyprus)  
Twitter: [@fescyprus](https://twitter.com/fescyprus)

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Hubert Faustmann, Yiannis Charalambous,  
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Chatzigeorgiou and Aileen O'Donoghue

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