



## 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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139  
DECEMBER 23





## FES CYPRUS NEWSLETTER

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### PODCASTS in JANUARY:

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 Mediterranean Interconnector Projects](#)

(In English)

### PUBLICATIONS in JANUARY:

Emine Eminel Sülün

[Beyond the Divide in Cyprus](#)

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

[Agenda to Address the Migration Crises in the Eastern Mediterranean](#)

Policy Paper

Emine Eminel Sülün

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

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Policy Paper

Emine Eminel Sülün

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[Addressing Mediterranean Water Governance through Coordinated Action](#)

Policy Paper



### PODCASTS in JANUARY:

Hubert Faustmann and Emine Eminel Sülün

[Repowering the Mediterranean](#)

[Reflections on Grid Infrastructure Diplomacy](#)

(In English)

### PODCASTS in FEBRUARY:

No podcasts in February



### PUBLICATIONS in FEBRUARY:

No publications in February

### EVENTS in FEBRUARY:

No events planned in February so far



### EVENTS in JANUARY:

The Friedrich-Ebert-Stiftung (FES) Cyprus Office and Harry Tzimitras (Director of the PRIO Cyprus Centre)

„Grab A Cypriot Coffee”

Restarting the Cyprus Talks?

Date: Friday, 19<sup>th</sup> January, 2024

Time: 10:00 am to 10:30 am (EEST / Nicosia time)

Location: Zoom Seminar

RSVP by Thursday, January 18, 15:00 by emailing [office.cyprus@fes.de](mailto:office.cyprus@fes.de). Zoom link will be provided one day prior to the event.

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### CYPRUS PROBLEM

On December 6, UN Secretary-General (UNSG), Antonio Guterres proposed former Minister of Foreign Affairs of Colombia, Maria Angela Holguin Cuellar, as his personal envoy for the Cyprus issue. Cuellar served as Foreign Minister of Colombia between 2010 and 2018 and was also head of the Colombian mission to the UN and the Ambassador of her country to Venezuela. Both the Turkish and Greek Cypriot sides approved her appointment. In early January 2024, the new envoy is scheduled to visit New York to meet Guterres and to take up her duties. In an exclusive interview with Euronews on December 15, President Christodoulides stated that the envoy should stay for as long as is necessary. The Turkish Cypriot side contends that the envoy will only remain for six months. Cuellar is expected to be officially announced in January 2024.

Hosting an end-of-year reception in the UN-controlled buffer zone attended by the leaders of the two communities on December 11, Colin Stewart, the Special Representative of the UNSG, said: "I want to acknowledge that the region we are in is going through very difficult times and that conflicts that were thought to be frozen have turned out to be more volatile. ... In Cyprus, people sometimes say this a frozen conflict, but as long as there is dissatisfaction with this status quo, which there should be, we cannot assume things will remain stable." On a brighter note, Stewart also spoke of the rapprochement between Greece and Turkey. Referring to the imminent appointment of a new UN envoy to Cyprus, Stewart continued by saying: "The Secretary-General sees this appointment as crucial. It does not signal, of course, the start of new negotiations, but it is an important step in trying to see if a path can be found for a mutually acceptable way forward, and it will certainly increase the focus on the Cyprus issue over the coming months."

Stewart also referred to the "unprecedented surge in activity" by technical committees reporting that the two sides have agreed on seven new projects in recent weeks. These include three environment projects, an internship programme for Turkish Cypriots and Greek Cypriots aged between 18 and 35, projects relating to the island's culture and "geological heritage" and a series of activities including webinars with international experts, information materials, and a website on the theme of "Transition to Green Energy: the future of electronic telecommunications". Stewart also highlighted the work of the technical committees throughout 2023 in areas such as health, culture, gender equality, and tackling crime. "In addition to these initiatives, two committees that have been largely inactive in recent years, the Technical Committee on Humanitarian Matters and the Technical Committee on Education, have resumed meetings after a long hiatus," he added. This is welcome news, especially considering the vital importance of education. On the topic of energy, Stewart said: "We are all anticipating the conclusion of the feasibility study for a major bicomunal solar plant in the buffer zone, which, if successfully completed, would be a huge confidence-building initiative." He also noted that in 2024 the UN will be marking 60 years of its presence in Cyprus. "Various events will be organized on and around March 4 and we will have some of the veterans and our former envoys join us," he said. "This, of course, will not be a celebration, but rather a somber reminder that the long-standing Cyprus issue still remains unresolved."

On December 14, the Turkish Cypriot president's office announced that Gunes Onar has been appointed as the new Special Representative to President Ersin Tatar, replacing Ergün Olgun who had announced his retirement in July. Onar, a career diplomat in the Turkish Cypriot Ministry of Foreign Affairs (MFA), was appointed to the Turkish Cypriot negotiating team in 2010 during Derviş Eroğlu's

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term, taking part in talks in Geneva and Greentree, at other summits, and during the negotiator's (cross) visit to Athens. In 2013, Onar became the Presidential Advisor and Director of Political Affairs. In 2018, he was appointed as the Undersecretary of the MFA by Kudret Özersay who was the Minister of Foreign Affairs at the time. His tenure as Undersecretary ended on January 11, 2021. Starting from January 18, 2021, Günes Onar served as the Coordinator of Confidence-Building Measures and Bilateral Technical Committees at Tatar's Office. Seniha Birand Çinar has been appointed as Onar's replacement for this post. Birand Çinar, also a career diplomat since 1999, has served in various capacities, including junior diplomat in Paris, First Counselor in Ankara, Representative in Strasbourg, and Consul General in Istanbul. She has also served as Director/Representative at the Directorate of Political Affairs, Directorate of European Union Relations, and Directorate of Relations with the Organization of Islamic Cooperation at the Turkish Cypriot MFA. Birand Çinar took part in the Cyprus negotiation process in the past, including the Annan Plan negotiations.

On December 18, Turkish Cypriot leader Ersin Tatar called on Russia to recognise the north and for Russian President Vladimir Putin to interact directly with it. "I would like to ask the Russian leadership and the Russian people to reconsider their policy on Cyprus, especially after what happened in Ukraine and what is happening in the world with a multitude of global changes," he said in statements to the Tass News Agency. According to Tass, Tatar is convinced that if a united Cyprus joins the EU, Russia will lose its influence in the region and any political ties with the island.

<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 December 18, Tatar and TRNC<sup>1</sup> prime minister Ünal Üstel visited Turkish President Recep Tayyip Erdoğan in Istanbul. The Cyprus problem, Turkey's financial support to the north and an electric cable project connecting Turkey and the TRNC were among the matters discussed. Following the meeting, Tatar denied reports that had been circulating in media claiming that Erdoğan had invited Christodoulides to Ankara for a visit.

The alleged invitation of Erdoğan to Christodoulides reportedly happened during a conversation on the sidelines of a United Nations Climate Change Conference and caused a political storm among the Greek Cypriots. On December 13, Alithia newspaper ran a front page saying that diplomatic sources in Greece had confirmed to them that Erdoğan had indeed invited Christodoulides. Christodoulides neither confirmed nor denied that Erdoğan had extended an invitation for him to visit Turkey.

On December 18, during a speech in the north's ongoing budget discussions, CTP's foreign relations secretary Fikri Toros stated that Tatar's policy of demanding a two-state solution to the Cyprus problem is tantamount to a "love of loneliness". The opposition politician called on the Turkish Cypriot side to continue talks regarding a solution from where they left off in Crans Montana in 2017, stressing that it is "essential to return to the legitimate ground laid out by the United Nations".

On December 21, Christodoulides stated that in January 2023 he will hold a national council meeting and decide on his negotiating team for the Cyprus problem.

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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On December 22, Government Spokesman Konstantinos Letymbiotis stated that political and legal measures are being examined to deal with the sale of Greek Cypriot properties in the north. Over the past months reports have surfaced that Russians, Iranians, Ukrainians and other foreigners are purchasing Greek Cypriot properties in the north fueling a construction frenzy.

On December 26, Bülent Bebek, the Turkish Cypriot mayor of Pergamos/Beyarmudu, stated that the road from Arsos/Yiğitler to Pyla/Pile has 550 metres left to complete the works. Bebek stated that negotiations are underway with the Greek Cypriot side over the issue.

On December 29, in an interview with Kıbrıs newspaper, Tatar stated that he has no expectations for progress on the Cyprus problem in 2024 and dismissed the political opposition's hope for discussions based on a federation, calling it a "false hope". Tatar stated that, for negotiations to begin, Turkish Cypriots must have sovereignty and equality and "without accepting that, there will be no common ground". He claimed that more ground was gained on the two-state solution, adding however that he has no answer as whether there will be recognition for the TRNC as he acknowledged that the EU and its allies oppose a two-state solution.

### BICOMMUNAL RELATIONS

On December 24, Turkish Cypriot leader Ersin Tatar requested the help of the Greek Cypriot side in finding two murder suspects who are wanted for killing a woman in northern Nicosia/Lefkoşa. The two suspected killers are alleged to have fled to the south.

### HYDROCARBONS

Speaking to the TRNC parliament on December 13, Ünal Üstel stated that an electricity cable connecting the north with Turkey will be ready within five years.

On December 20, the Cabinet of Ministers approved the National Maritime Spatial Plan, in what is being described as a decisive move that aims for the holistic development of Cyprus' shipping sector. Reportedly, the primary goal of this plan is to bolster and promote sustainable development at sea, employing an ecosystem-based approach. According to Deputy Minister of Shipping Marina Hadjimanoli, the activities that are considered in the plan include maritime transport, fishing, aquaculture, tourism, raw material extraction, protecting underwater antiquities, ensuring environmental conservation and issues pertaining to safeguarding against the impacts of climate change. Moreover, Hadjimanoli highlighted that the draft of the Maritime Spatial Plan encompasses all existing and proposed marine projects in the energy sector, such as hydrocarbon exploration sites, the EastMed gas pipeline, and the EuroAsia Interconnector project. Finally, provisions have also been made for the appropriate zoning of the Energy Centre, encompassing all future planning and energy infrastructure. Turkey, via a statement by its Foreign Ministry spokesman Öncü Keçeli, called the plan a "greedy" initiative that violated the rights of both Turkey and the TRNC. "Unilateral acts of the Greek Cypriot administration, regarding maritime jurisdiction areas will not be accepted," Keçeli underlined.

In an interview on December 23, the CEO of Greece's Independent Power Transmission Operator ("IPTO") stated that the construction of the cable section for the initial leg of the Greece-Cyprus-Israel EuroAsia Interconnector is underway. NEXANS has been contracted to start the cable construction, set to begin in the second quarter of 2024. During the same period, the seabed study in the marine area between Crete and Cyprus, where the cable will be laid, will begin. The cable laying is expected to be completed by 2026. The EuroAsia Interconnector is a planned interconnector between the Greek, Cypriot, and Israeli power grids via the world's longest submarine power cable, with a length of 310 kilometres, from





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Israel to Cyprus and 898 kilometres from Cyprus to Greece for a total of 1,208 kilometres.

### GREEK CYPRIOTS

#### Economic Developments

According to a report by the Central Bank of Cyprus, the island witnessed a further decline in non-performing loans ("NPLs") at the end of September 2023, dropping to €2.02bn from €2.08bn in August 2023 reflecting an ongoing trend of improvement.

A surplus of €1bn, equivalent to 3.4% of the Gross Domestic Product (GDP), was recorded between January and November 2023, according to a report released on December 29 by the state's statistical service, based on preliminary data. This marked a substantial increase from the €636.8m surplus (2.3% of GDP) recorded in the corresponding period of 2022. Total revenues from January to November 2023 soared by €1.22bn (12.5%), reaching €11.06bn, compared to €9.83bn in 2022.

According to a report released on December 18 by the Cyprus's Statistical Service, tourist arrivals in Cyprus between January and November 2023 reached 3,722,022 visitors, reflecting a notable increase of 20.4% when compared to the same period in 2022. Moreover, according to the report, tourist arrivals totalled 159,605 in November 2023, compared to 149,857 in November 2022, registering a robust 6.5% increase. The UK remained the primary source of tourism for November 2023, accounting for 26.8% (42,724) of total arrivals. The UK was followed by Poland at 11.8% (18,874), Germany at 10% (15,984), and Greece at 9.7% (15,475).

On December 20, the plenary gave the green light to the state budget for 2024 and the Medium-Term Fiscal Framework 2024-2026, with 37 members in favour and 19 against. The budget includes meas-

ures and policies to support vulnerable population groups, improve healthcare services and upgrade the educational system. It also addresses key issues such as reducing energy costs and taking a comprehensive approach to migration. The budget received approval from DISY, DIKO, EDEK, ELAM, DEPA and independent MP Andreas Themistocleous, while AKEL and the GREEN PARTY voted against it. MP Costis Efstathiou and independent MP Alexandra Attalidou also voted against. The budget is surplus-oriented, with a fiscal surplus amounting to 2.2% of GDP and a primary surplus of 3.6% of GDP. The total expenditure included in the state budget for 2024 amounts to €13.04bn, while the total revenue of the General Government is €13.2bn. A fiscal surplus of €660m is projected for 2024.

#### Domestic Developments

According to the Ministry of the Interior, a 53% drop in new asylum applications was recorded in 2023. In particular, from March to November this year applications reached 9,091, while in 2022 new applications had reached 17,065. An increase in Syrian asylum applications has been recorded as the people concerned cannot be returned home due the fact their country is considered unsafe. Meanwhile, the ministry said that for November 2023 there has been a huge drop in applications from Nigeria, Democratic Republic of the Congo, and Cameroon, in comparison with the same month in 2022.

According to the findings presented in the national report on Cyprus from the Standard Eurobarometer – Autumn 2023, 53% of Cypriots are dissatisfied with the functioning of democracy in their country, compared to 44% in the EU. Additionally, 49% are satisfied with democracy in the EU, in contrast to 54% in the EU. The survey, conducted from October 23, 2023 to November 17, 2023, involved 506 randomly selected individuals in Cyprus, who participated in personal interviews using a standardized questionnaire. Key issues in Cyprus are perceived

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to be immigration (50%, 20% in the EU), rising prices, inflation, and the cost of living (46% in Cyprus, 44% in the EU), and the economic situation (32% in Cyprus, 18% in the EU). Migration emerges as a top concern for Cypriots, with 88% supporting strengthening EU external borders with more border guards and coast guards (+2% from spring 2023, 68% in the EU), and a common European asylum system (65% in Cyprus, 68% in the EU). The majority in Cyprus and the EU view migration from other member states positively (61% and 66% respectively) but hold a negative stance on migration from non-EU countries (75% and 50% respectively).

### Labour Relations and Trade Unions

The efforts to reach an agreement concerning low wage workers in the public and wider public sector continued in December. On December 4, hundreds of members of the EQUALITY Union went on a 48-hour strike outside the Presidential Palace, demanding decent wages and decent living conditions. As mentioned in the petition submitted to the President, they demand the recognition of the entire seniority of all workers, regardless of the work experience, as long as they are in the same position. It is worth mentioning that the members of Pancyprian Federation of Labour (PEO), Cyprus' Employees Confederation (SEK) and Pancyprian Union of Civil Servants (PASIDY) did not participate as, according to their announcement, they will wait for the final proposal of the government.

On December 11, the decision for low-wage workers seemed to reach its conclusion, as the major trade unions accepted the government's proposal presented on December 7. It was emphasised that the demand to accelerate the promotions for A1-2-5 employees will remain a focal point in ongoing negotiations. In this direction, on December 12, the government added in the proposal the agreement to continue the social dialogue concerning any issue identified in 2024. As a result, two of the major trade

unions (SEK, PASIDY) signed the agreement while PEO disagreed. At the same time, while the trade union EQUALITY, which is not participating in the social dialogue, initially declared a new strike scheduled from December 11 to 15, it later withdrew the strike on the 12th, and declared an intention to pursue legal action.

In the meantime, on December 11, members of the trade union EQUALITY, who work in the Cyprus Post Office, have started strike mobilizations which will last until the 15th. The main point of conflict is the increase of overtime hours and the perennial issue of the security of the drivers. In addition, Mr. Panagi, a representative of EQUALITY, announced that the members of the Union have already decided to proceed with an indefinite abstinence from overtime employment from January 2, 2024.

On December 4, following a meeting of the President of the Republic with Cyprus Hotel Association (PASYXE), the Minister of Labour and Social Insurance and the Deputy Minister of Tourism, it was stated that they are working towards reviewing the strategy of employment of third country nationals (TCNs) in order to face the severe labour shortage. The stated aim is to create more friendly and faster procedures for businesses when hiring TCNs. The severe workforce shortage was also highlighted by the Federation of Associations of Owners of Entertainment Centers and Events in a meeting on December 13 with the Deputy Minister of the President.

On December 4, the Minister of Labour and Social Insurance, following the Labour Advisory Body, announced that the final decision concerning the actuarial reduction of 12% for those who retire earlier, will be taken in January 2024.

On December 8, trade unions announced that they had received "authorization" of their collective bodies to proceed with strike action if the Electricity Au-

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thority of Cyprus (EAC) does not take decisions soon on the open issues discussed in recent years. In this direction a new meeting was planned for December 12. The main issue of the conflict remains the understaffing of the organization.

The disappointment of not having been invited to the negotiations table was expressed by the Independent Union of Technical and Labour Personnel of the Cyprus Electricity Authority (ASTKEPAHK), which warned it would take necessary measures if not invited to the next round of negotiations on December 22. However, in the negotiations on December 22, all parties agreed to include the 131 new positions in the government's budget for 2024 as agreed with the previous government, which was a development that calmed the fears of strike action.

On December 20, following the negotiations of the social partners, the Council of Ministers issued a new Decree concerning the National Minimum Wage. Note that Cyprus introduced a National Statutory Minimum Wage in 2023, which was reviewed by the Labour Advisory Body this year. According to the new Decree, the minimum wage will increase from €885 to €900 (gross) and from €940 to €1000 (gross) after six months of continuous employment with the same employer. Furthermore, beyond the amount of minimum wage, the remaining provisions of the 2022 Decree continue to apply, and therefore, domestic, agricultural and shipping workers are excluded. According to the Statistical Service, the increase of the minimum wage to €1000 is just €17 above the poverty wage. The new Decree does not include an hourly minimum wage, which is a persistent request of trade unions but simultaneously a red line of the employers' organisations. Lastly, the relevant Decree of 2022 established a readjustment mechanism and provides that the amount of the minimum wage will be reviewed every two years.

On December 22, workers of a ground handling company at Paphos Airport went on a spontaneous three-hour work stoppage due to their claim of an arbitrary dismissal of a worker. Trade union representatives contacted the relevant stakeholders, and a meeting was planned for December 27. Hence all workers returned to their duties, ending the work stoppage.

Trade unions and employers' organizations set the agenda for 2024. Among the priorities of the trade unions are to expand and strengthen the collective agreements, to increase wages, to stop the deregulation of labour, to ensure the full performance of the Automatic Cost of Living Allowance (COLA) and to expand it to cover all categories of workers, to review the employment strategy for TCN workers, to start a social dialogue on tax reform and to reform the pension system and the issue of the 12% actuarial adjustment for early retirement. The priorities of employers' organisations in 2024 focus on the negative side effects of the high interest rates and the general increase of prices as a result of the consecutive crises in the world. In addition, high on the employers' agenda is the management of labour shortages, the "modernization" of the state through reforming the taxation system, and the digitalization and improvement of the National Health System (GESY).

### TURKISH CYPRIOTS

#### Economic Developments

According to the Statistical Institute, the consumer price index was 83.6% higher in December 2023 compared to December 2022. In other words, the annual inflation in 2023 was 83.6%. Consumer prices had risen by 5.4% in December alone. The highest monthly inflation was in the restaurants and hotels segment where an increase of 15.1% was recorded, with the healthcare segment coming a close second

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with 14.8%. The monthly food inflation was 5.9%.

Minister of Finance Özdemir Berova said that Parliament approved the 2024 budget of TL88.26bn (€2.83 bn). Speaking in the Parliament, Berova noted that the budget deficit was envisaged to be TL6.79bn (€198 m). Berova added that the Republic of Turkey is expected to contribute TL14bn (€448m) “of which TL9 billion are in grants and TL5 billion are in loans”. Berova added that the government aimed for a gradual reduction in the budget deficit starting from the year 2025, achieving a balanced budget by the end of 2026.

### Relations with Turkey

On December 17, Turkish President Recep Tayyip Erdoğan met with Turkish Cypriot President Ersin Tatar in Istanbul. The Turkish Vice President Cevdet Yılmaz and Turkish Cypriot Prime Minister Ünal Üstel were also present at the meeting. Anadolu Agency reported that the meeting was carried out closed to the press. There will be no turning back on the policy of pursuing a two-state solution to the Cyprus problem based on sovereign equality, Tatar said afterwards.

### Domestic Developments

The European Commission’s Standard Eurobarometer 100 Survey showed that the “life satisfaction” rate of Turkish Cypriots ranked 25th when compared to the EU27 member countries: 75% expressed their satisfaction. The same report showed that 73% of the Turkish Cypriot respondents believed “things were going in the wrong direction”. When asked about the two most important issues facing the Turkish Cypriot community, 49% said the economic situation, while 40% said the rising inflation; only 5% mentioned the Cyprus problem. Furthermore, most of the participants expressed their mistrust towards the Turkish Cypriot media (58%), while 39% said that they trusted the media institutions. The fieldwork was conducted by Lipa, a local

pollster, through face-to-face interviews with a sample of 513 people aged 15 and over between October 26 and November 12.

The issue of property purchases by foreign citizens took centre stage during a session in the Parliament. The issue has been in the spotlight in recent weeks, with focus placed by some on sales to property developers from Israel and concerns that the north could turn into “another Gaza” if measures are not taken. The main opposition, Republican Turkish Party (CTP) leader Tufan Erhürman stressed the need for a measured approach in discussions about property sales to foreign citizens and population concerns, warning against speaking in a “xenophobic, anti-Semitic” way, and harming the construction sector. Referring to reports in the Turkish press noting an estimated 30,000 foreign residents in the TRNC, Erhürman said that, in contrast, Turkish Cypriot people cannot afford “to buy homes for their own children due to skyrocketing” property prices.

A businessperson claimed in a TV programme that the Deputy Prime Minister and junior coalition partner Democratic Party (DP) Chairperson Fikri Ataoğlu and DP Deputy Hasan Tosunoğlu asked for a kick-back of TL2.5m (€80,000) from him in return for a loan from the DP-controlled Development Bank. The People’s Party (HP) Chairperson Kudret Özersay announced that they filed a criminal complaint to the police and the Attorney General’s Office regarding the allegation. Özersay said, among other things, “...Clean politics and the fight against corruption and lawlessness are the only way out for this country.”

The third “Women in Business Summit, Guiding the Future” was held in Kyrenia on December 1 and 2. The presidents and members of 24 NGOs from Turkey, Azerbaijan and the World Association of Women Entrepreneurs, as well of Turkish Cypriot ones, took part in the summit. During the two-day summit, speakers presented their views on the topics of “Our

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Future is Youth”, “Future of Science and Technology”, “Future of Business” and “Future of Agriculture and Food”. The summit aimed to highlight the achievements of women in the business world and promote gender equality and women’s empowerment.

### Labour Relations and Trade Unions

A family of four now needs TL17,880 (€573) a month to cover basic food costs, TL2,130 (€68) higher than the net monthly minimum wage of TL15,750 (€505), according to the latest calculation by KTAMS, a trade union organised in the public administration. Highlighting inflation data from the Statistics Institute, the union’s leader, Güven Bengihan, said that consumer prices have risen by an average of 40.8% in the last five months since the previous minimum wage was set. Bengihan voiced concerns that the periodic cost of living adjustments [in the public sector], occurring every six months, are insufficient in maintaining purchasing power. “It is obvious that our demand for the cost of living [adjustment] to be paid with salaries at more frequent intervals is justified,” he stated. “Just like the salaries of public servants and pensioners, an urgent legal regulation should be made so the salaries of minimum wage earners increase in line with the cost of living. They should not be left at the mercy of employers,” he added.

Minister of Finance Özdemir Berova held a meeting with five public sector trade unions within the framework of protocol talks. Berova said that the cost of living will be reflected in salaries every four months for a year in 2024. Berova met with the representatives of Public Servants Union (KTAMS), Public Workers Union (Kamu-Is), Public Employees Union (Kamu-Sen), Primary School Teachers Union (KTÖS), and Secondary School Teachers’ Union (KTOEÖS). Berova gave information about the measures to minimize inflation and its effects on lower- and middle-income groups. Stating that preparations are being carried out to reflect the cost of living three times a year in 2024, Berova stated that the legisla-

tion is planned to be brought to the Parliament after the budget negotiations end.

Metin Arhun, the deputy head of the Employers’ Association, which represents the employers in the Minimum Wage Determination Commission, has been slammed for suggesting that workers unhappy with low wages should seek employment in the European Union. Arhun made the comments in response to calls for the minimum wage to be raised by around 50% due to rising inflation since July. He also claimed that there is no unemployment or poverty in north Cyprus, and questioned the validity of the official inflation figures. Members of the Federation of Free Trade Unions (Hur-Is), which represents workers in the Minimum Wage Determination Commission, placed a black wreath at the office of the Employers Association in protest. Speaking to the media, Hur-Is chairperson Ahmet Serdaroğlu expressed concern over the “provocative” statements made by Arhun. “While we are fighting ... to prevent our young people from migrating and trying to create a wage worthy of human dignity at the minimum wage table, what gives you the right to send our people abroad?” The proposed minimum wage adjustment is not an “increase” in real terms, but simply “returning minimum wage earners what they have paid in price hikes”, Serdarolu pointed out. Meanwhile the board of directors of the Employers’ Association sought to distance itself from Arhun’s comments. Issuing a written statement, the board stressed the importance of employers and employees alike for the economy, and called for “common sense and calm from all the relevant parties”. “Our employees are a part of our family. As employers, we are proud to provide the best opportunities to our employees,” the statement added.

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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.

#### 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.

#### Stavros Stavrou

Stavros Stavrou holds a Bachelor's degree in History from the Aristotle University of Thessaloniki, a Master's degree in International Relations from the University of Warwick and a Master's in Industrial and Employment Relations from International Training Centre of the ILO in collaboration with University of Turin. His research focus on the employment relations of migrants and refugees, trade unions, and social inequalities.



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