



Cyprus Economic Outlook & Investment Climate

George Campanellas, Chief Executive Officer



REPUBLIC OF CYPRUS

State Entity responsible for raising awareness of Cyprus as a location for FDI across the globe, providing certainty around all aspects of operating a business in Cyprus & supporting potential investors in developing their business case for investment in Cyprus



First Point of Contact

Businesses and individuals considering investment into Cyprus have a partner on the ground at all stages of the investment cycle


www.investcyprus.org.cy

Cyprus at a Glance



Distance from Nicosia

Larnaca (56 km)
Limassol (85 km)
Paphos (150 km)
Famagusta (87 km)


9.251 km²
Area


Time
GMT +2

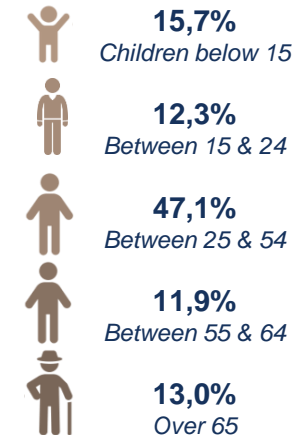
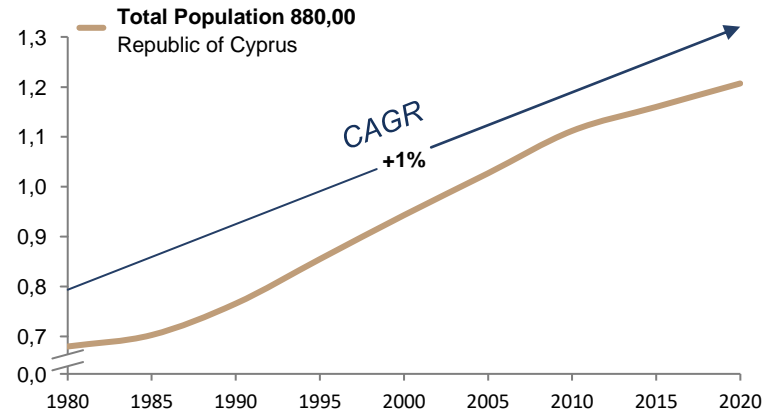

35°N 33°E
Location


300+ days
of sunshine


Avg. temp. winter: +13°C
Avg. temp. summer: +34°C


Euro
Currency

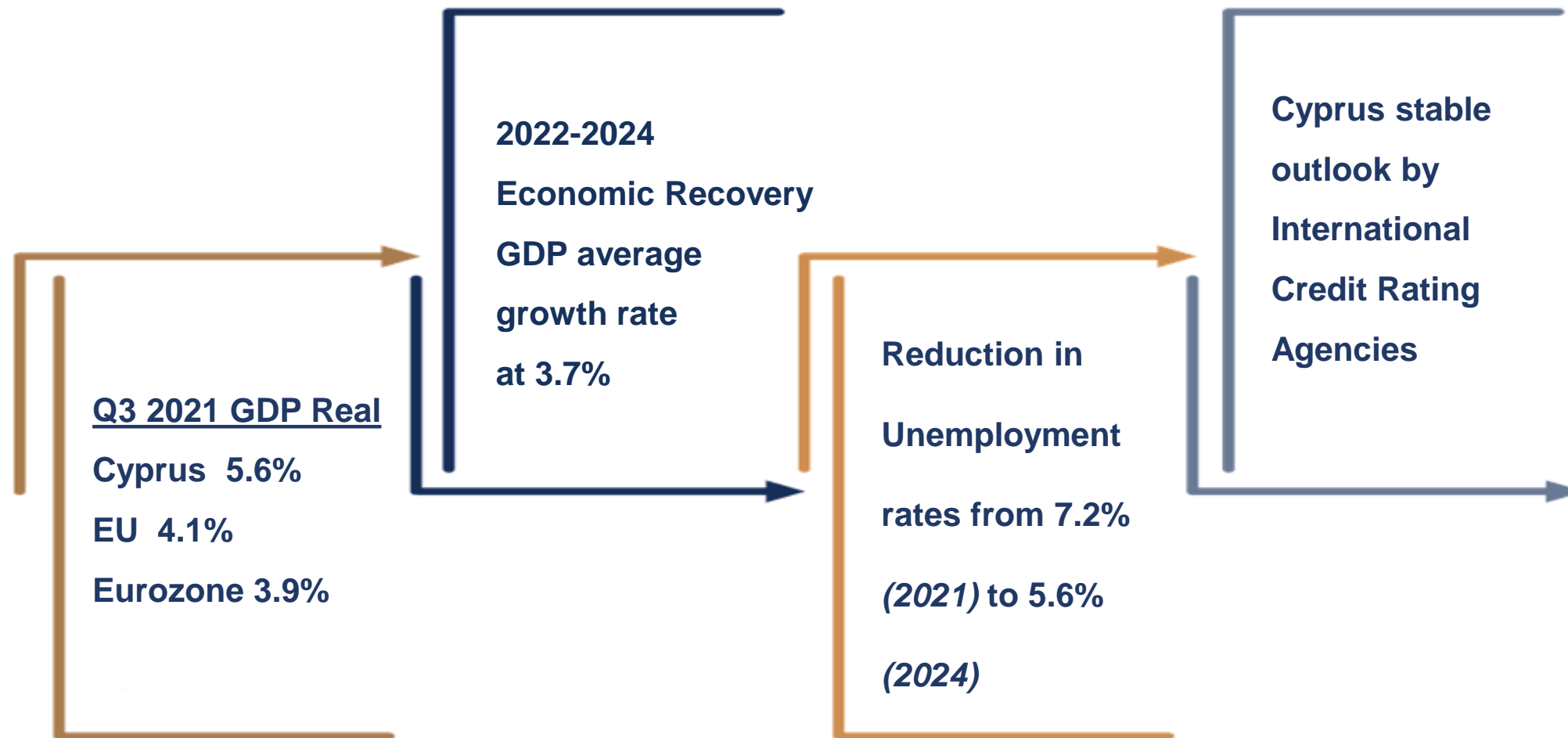

EU Member
State 2004 / Eurozone 2008




Greek
Official Language

English
Widely spoken

Cyprus Economic Outlook



Why Cyprus ?



Attractive Tax System

CORPORATE TAX

01 12.5% corporate tax rate

02 No tax on profits from disposal of securities or on capital gains under conditions

03 No withholding taxes

04 Notional Interest Deduction (NID) on investment in Cypriot companies

New non domicile employees

Tax exemption of 50% for incomes >€55,000 per year - period 10 years

Existing non domicile employees

/ Tax exemption of 50% for incomes >€100,000 per year - period 17 years

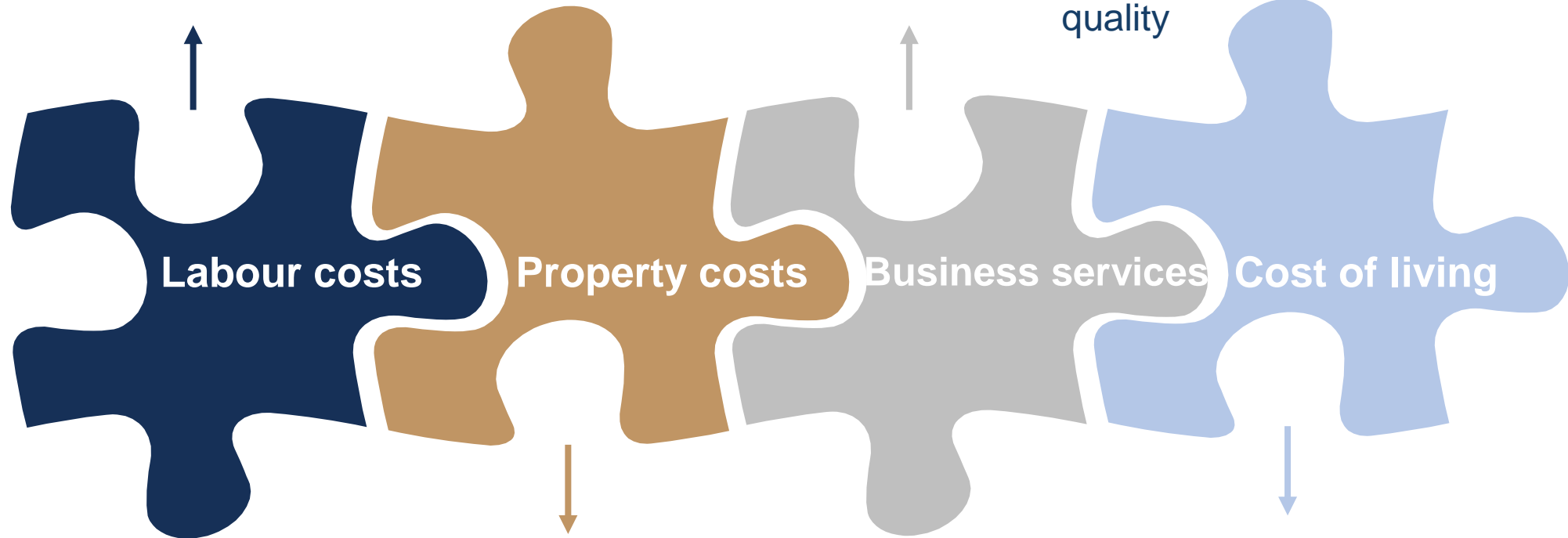
/ Tax exemption of 50% for incomes between €55,000-€100,000 - period 10 years

Tax-free band of €19,500 for all Cyprus residents

INCOME TAX

Low cost of doing business

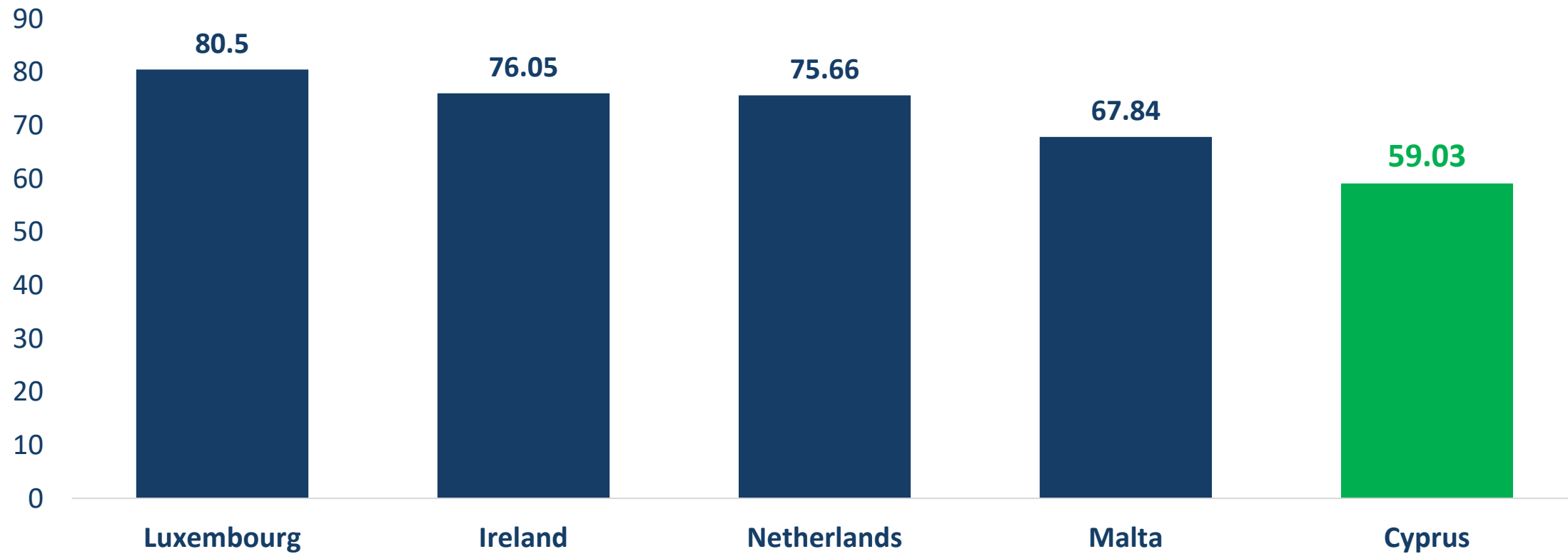
- / Average hourly rate are below EU average
- / Non-wage labour costs are below EU average
- / Highly affordable critical business support services of the highest quality



- / Among the lowest office rental rates in Europe
- / Competitive residential property prices
- / The lowest cost of living amongst Western EU countries

Low cost of living

Cost of living index



Source: Numbeo, 2022 prices

Quality of life & safety



Natural beauty



Safety



Cuisine

- / Top 5 safest country in the world (Value Penguin)
- / Safest country for young people (Guardian)
- / Top 4 best retirement destinations globally (Knight Frank)
- / Best island economy lifestyle & human capital (fDi magazine)
- / Most blue flag beaches per capita in the EU (Eurostat)
- / 2nd best climate in the world (InterNations)
- / 21/169 healthiest country in the world (Bloomberg Healthiest country index)



Excellence in healthcare

Priority Pillars

01



**International
Business Center
focus on Tech**

02



**Direct Investments
in Strategic
Projects**

*Hospitality & Tourism
Healthcare
Education
Renewable Energy*

03



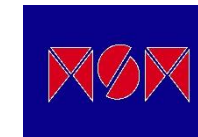
**Jurisdiction for
Funds and
Assets
Managers**

01

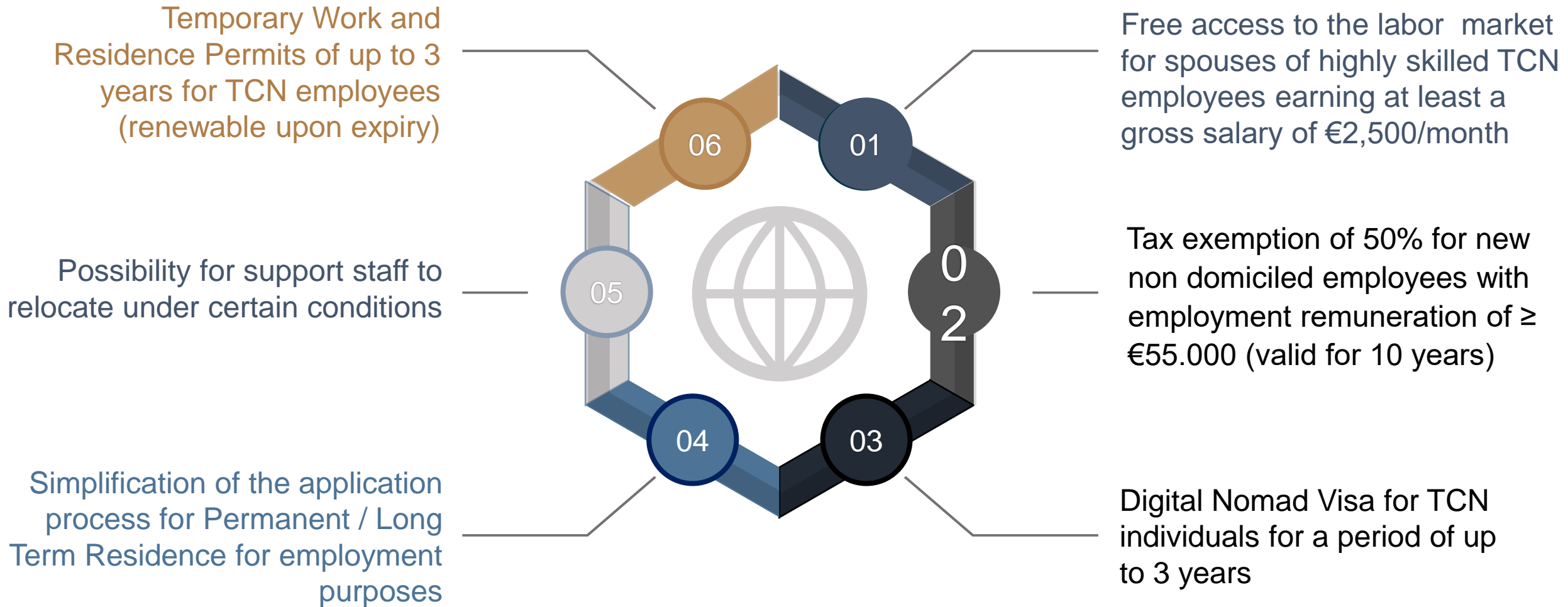


**International
Business Center
focus on Tech**

Success stories in Cyprus



New incentives for Third Country Nationals (TCNs)



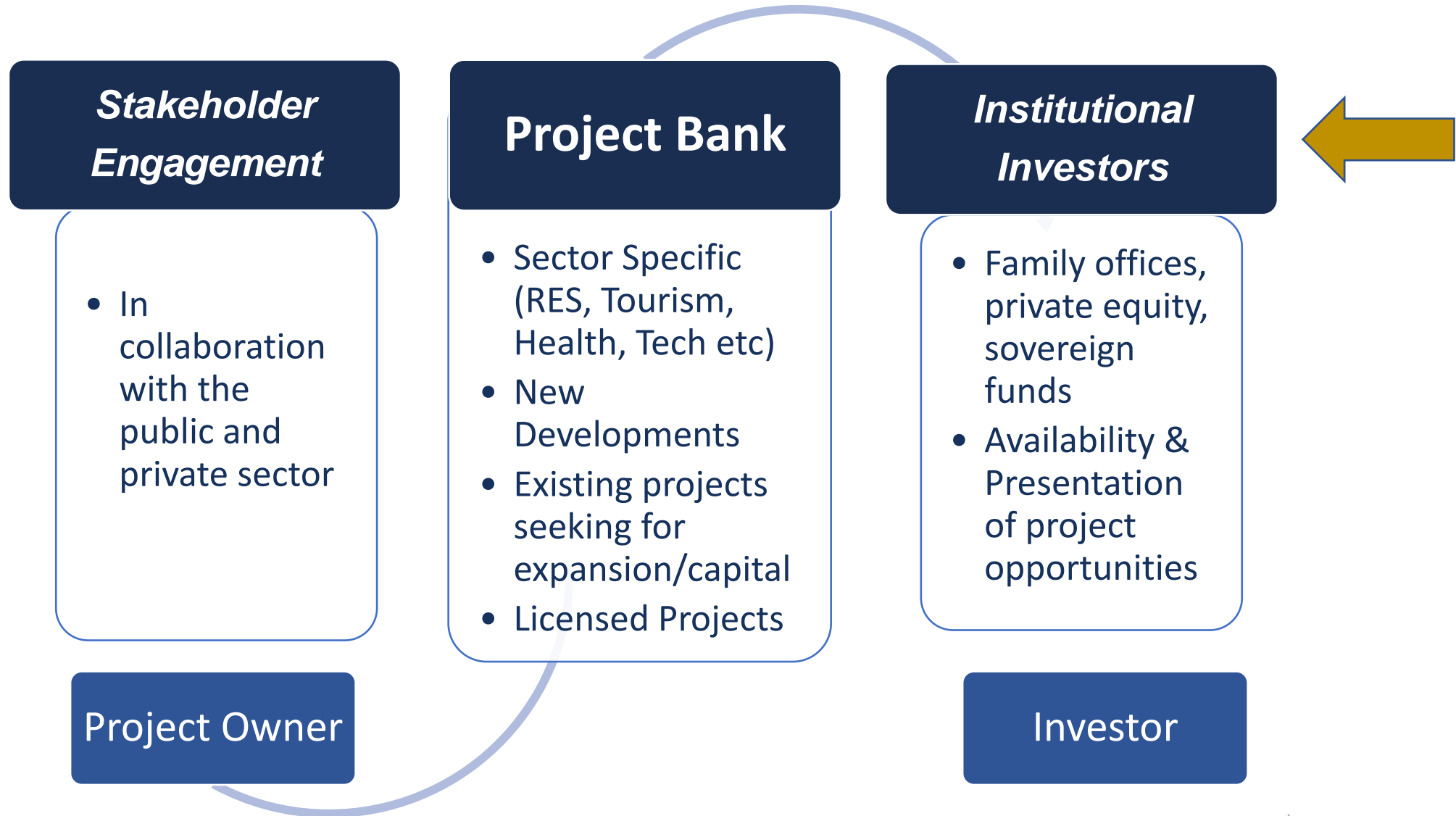
02



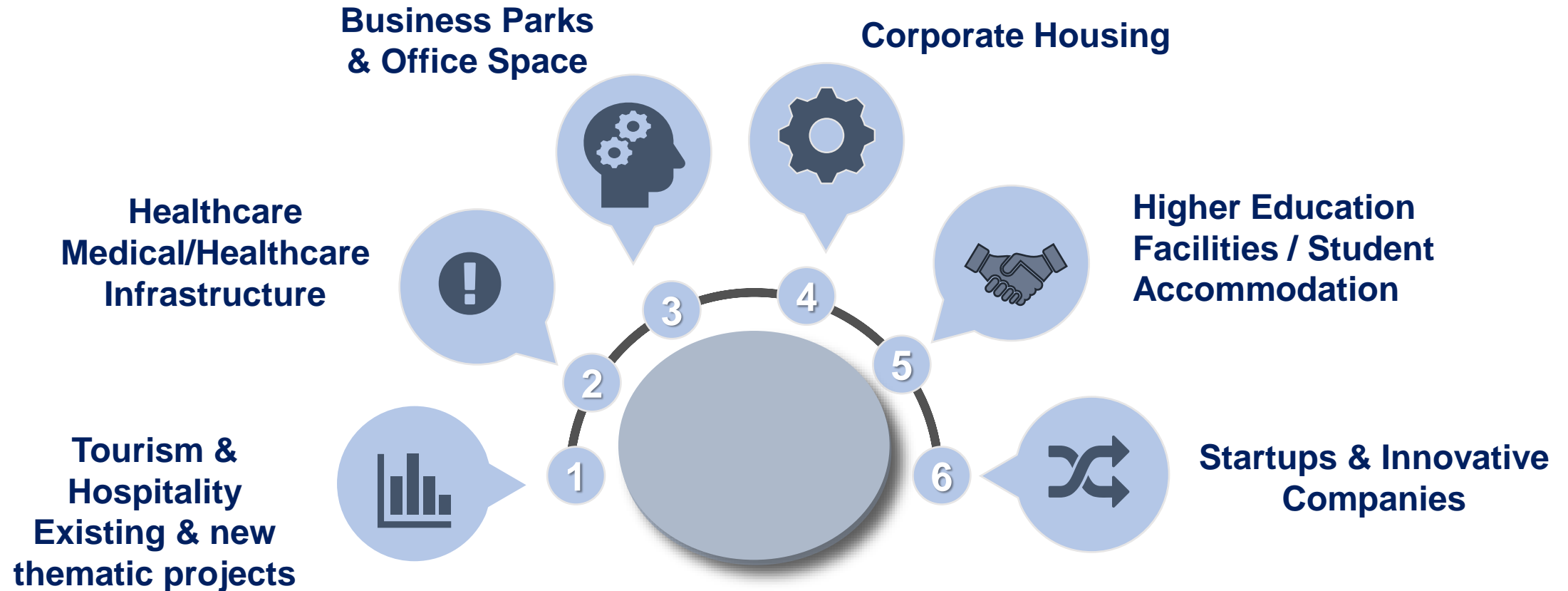
Direct Investments in Strategic Projects

Hospitality & Tourism
Healthcare
Education
Renewable Energy

“Project Bank” of available investment opportunities



Investment opportunities in priority growth sectors



03



**Jurisdiction for
Funds and
Assets
Managers**

A fast-growing investment funds jurisdiction

/ Passporting to any EU member state

/ Transparency and
investor protection

/ Tax benefits for
investors and fund
managers

/ Fully harmonized and modern
legislation

/ Flexible
structures: UCITS
and AIFs

/ Low set-up and
operation costs



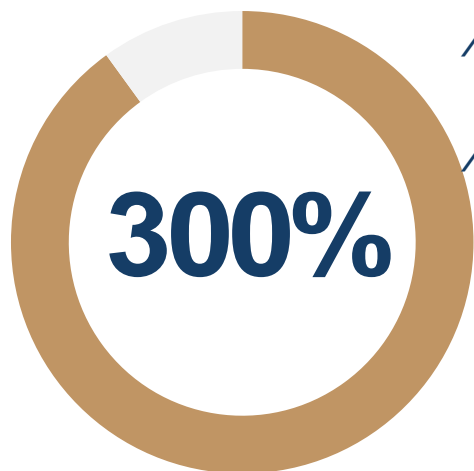
A fast-growing investment funds jurisdiction



/ Increase of assets under management from 2013 to 2021 (€11.6bn)



/ Funds listed by Cyprus on the Thomson Reuters funds platform



/ Increase of registered funds from 2013 (74) to 2021 (225)
/ 50+ funds in the process of approval by the Cyprus Securities and Exchange Commission (CySec)

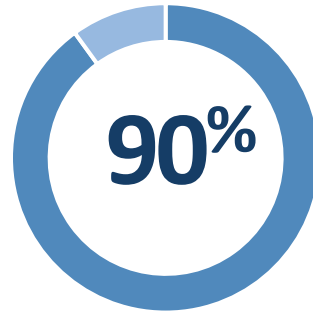


/ Clearstream expanded its third-party fund processing platform Vestima to include Cyprus-domiciled investment funds

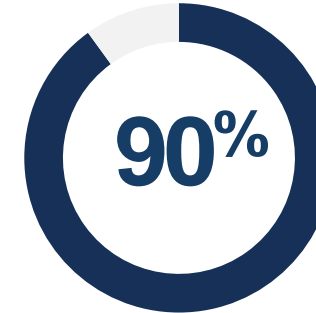
EY Attractiveness Survey: Cyprus 2020



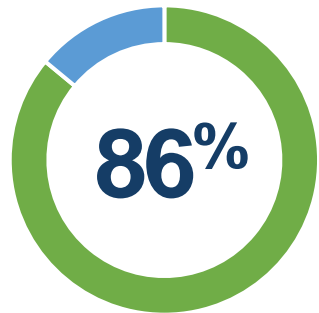
Quality of life
(environment, leisure
activities and culture)



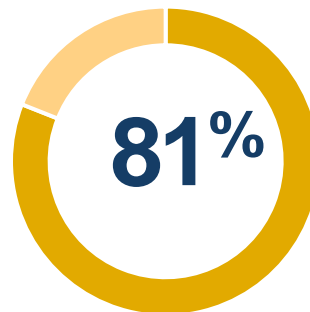
Telecommunication
and Digital
Infrastructure



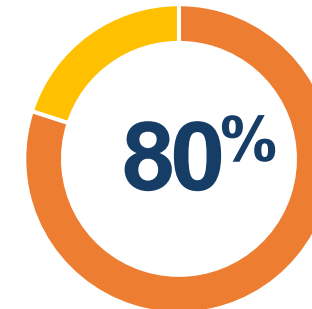
Stable political and social
environment



Entrepreneurial
culture
& startup culture



Local labour
skills level



Research &
Development availability
& quality

European Innovation Scoreboard 2021

Performance has increased
the most in

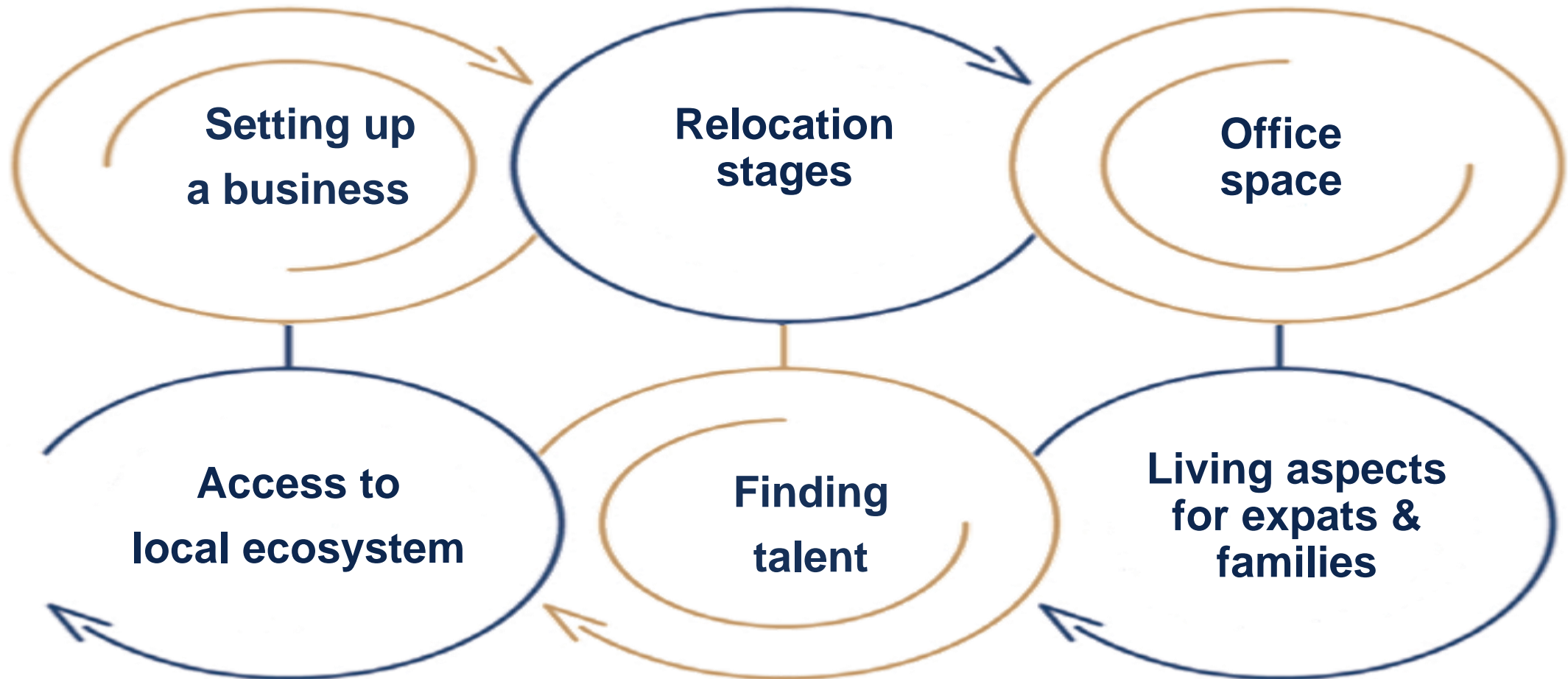


European Commission



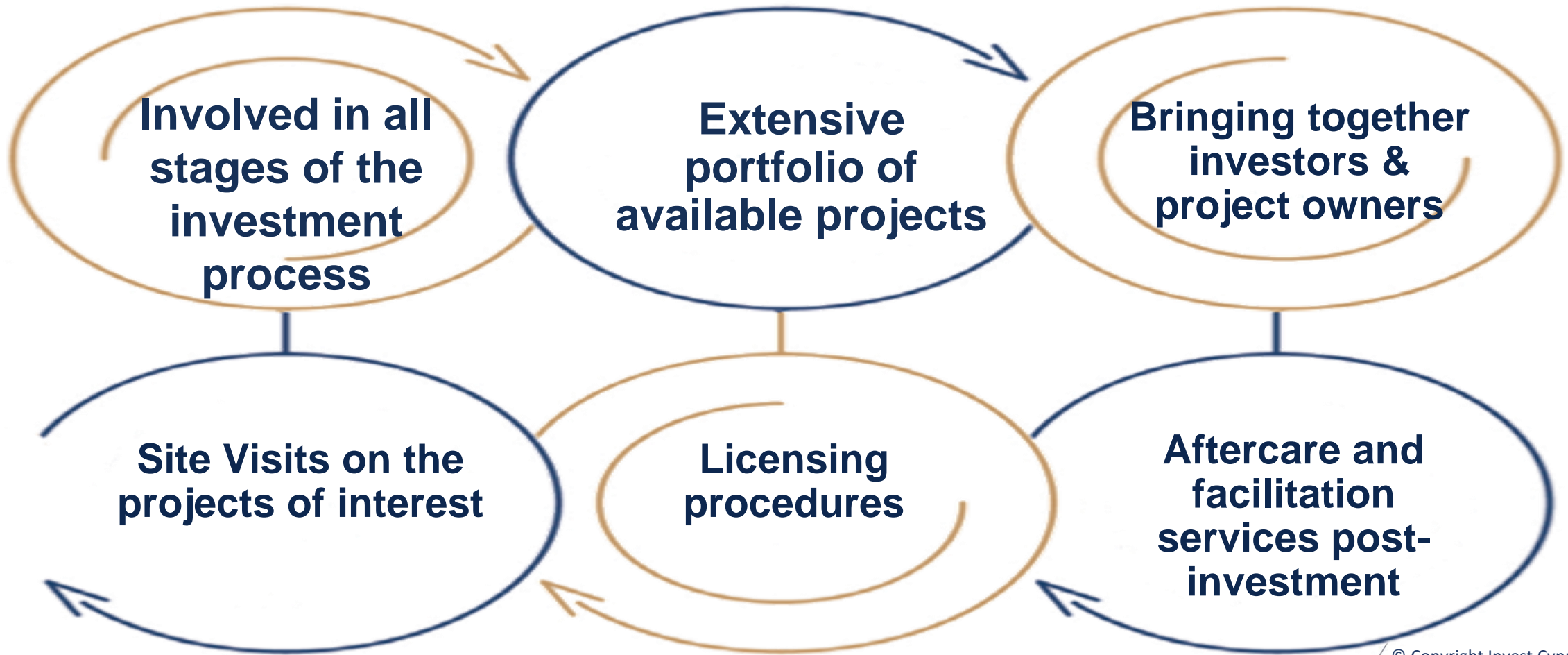
How can we help?

Smooth Relocation Process



How can we help?

Direct Investments in Strategic Projects





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Videos



Publications

Thank you!

www.investcyprus.org.cy