

# Make Cyprus your home



Invest  
Cyprus

Invest in Cyprus  Invest in Us



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“Offering a combination of ease of doing business, natural beauty and high quality of life, Cyprus allows investors and their families to enjoy the best of both worlds”



## Country Overview

Cyprus is the third largest island in the Mediterranean Sea, located at the eastern end of Europe, at the crux of the busy shipping and air routes linking three continents, Europe, Africa and Asia. The island, through its rich history, going back more than 10.000 years, has developed from a Stone Age settlement into a modern and thriving European Union state, with a host of opportunities and prospects for both economic growth and prosperity and an enviable lifestyle.

This small but dynamic country has long established a strong reputation as a “centre of excellence” for international business activities, retaining unique clusters of expertise and service capability to support key growth sectors of the economy. Cyprus has a modern, free-market, service-based economy with an effective and transparent regulatory and legal framework offering international investors and domestic businesses confidence to invest, grow and prosper.

Capitalising on its competitive advantages, driving and enhancing both traditional and new economic sectors and continuously improving and enhancing its business environment, Cyprus has developed into a destination of choice for doing business.

A business friendly environment and advanced infrastructure, combined with a high quality of life, allows investors and their families to enjoy the best of both worlds. Ease of doing business, safety, stability, year-round sunshine, beautiful beaches and mountain sceneries and centuries of art and culture best describe one of the most attractive destinations in the European Union for both living and doing business.



# Acquiring Cypriot Citizenship & Immigration Permit

Attracting foreign direct investment is at the heart of Cyprus' development strategy, as it represents a key driver for economic growth, amidst today's constantly changing international environment. In line with this policy, the Cyprus government has introduced two schemes for granting foreign investors Cypriot Citizenship and Immigration Permit to Cyprus.

## Acquiring Cypriot Citizenship

(Naturalisation of Investors in Cyprus by Exception)

### Eligibility:

The following non-Cypriot natural persons who meet one of the set financial criteria, are eligible to apply for the acquisition of Cypriot Citizenship:

- natural persons, either personally or through a company in which they are participating as shareholders, in proportion to their holding percentage
- through investments made by their spouse or jointly with the spouse
- as high-ranking senior manager of a company that meets one of the financial criteria below (provided that they receive a remuneration that generates paid tax revenues of at least €100.000 over three years)

### Financial Criteria:

Eligible persons who meet one of the following financial criteria may apply for the acquisition of the Cypriot Citizenship:

- Investment in real estate, land development and infrastructure projects of at least €2m
- Investment in financial assets of Cypriot companies or organisations of at least €2m
- Investment in Alternative Investment Funds or financial assets of Cypriot companies/ organisations that are licenced by the Cyprus Securities and Exchange Commission of at least €2m
- Combination of the above criteria, which can also include investment in government bonds of up to €500.000

### Other Terms and Conditions:

- Prior to the naturalisation, investors must hold a residence permit in Cyprus. If not, the application for a residence permit can be submitted simultaneously with the application for the naturalisation
- In addition to the above investment requirements, an investor must also own a permanent privately-owned residence in Cyprus of at least €500.000 (+VAT). If investment is made into residential properties, as per the first financial criterion, this requirement is not applicable, if at least one of the units is worth at least €500.000 (+VAT), provided that the applicant retains the possession of the residence for life
- The investment in government bonds is restricted to €500.000
- There is no requirement of residing in Cyprus after acquiring citizenship

### Family Members:

- Spouse/ partner: The investor's spouse or partner may acquire the Cypriot Citizenship. Their application may be filed simultaneously
- Minor children: Dependent children up to the age of 18 may apply, after the investor acquires the Cypriot Citizenship and provided that the other parent consents to the grant of the citizenship
- Adult financially dependent children: the right to apply for citizenship is also granted to the financially dependent adult children of the investor belonging to one of the following two categories:
  - o students up to the age of 28
  - o children with severe physical/ mental disability that prohibits employment
- Parents: The investor's parents may also apply for citizenship after the investor has acquired his/ her citizenship, provided that they are owners of a private residence of at least €500.000 (+VAT). The investor and his/ her parents may collectively acquire one residential property of a total value of at least €1m (+VAT)

“Acquiring real estate in Cyprus can enable investors to apply for Cypriot Citizenship and Immigration Permit”





## Acquiring an Immigration Permit

### Eligibility:

All third country nationals who meet the criteria and terms set out in the scheme are eligible for acquiring an Immigration Permit for Cyprus

### Financial Criteria:

A non-Cypriot citizen, who meets the following criteria may apply for the acquisition of an Immigration Permit:

- Deposit minimum capital of €30.000 into a bank account in Cyprus, which will be pledged for a period of at least three years
- Provide evidence of a secure annual income of at least €30.000 (+€5.000 for every dependent person – spouse and children – and +€8.000 for every dependent parent or parent-in-law)
- Purchase residential real estate of total market value of at least €300.000 (+VAT). Payment receipts submitted with the application should amount to at least €200.000 (+VAT)

### Other Terms and Conditions:

- The Immigration Permit does not allow the undertaking of any form of employment in Cyprus
- Holders of an Immigration Permit must visit Cyprus once every two years

### Family Members:

- Spouse and financially dependent children: Immigration Permits are also issued for the investor's spouse and all financially dependent children (up to 18 years old – or between 18 and 25, provided that they are unmarried, students), upon payment of the relevant fee
- Parents/ Parents in Law: The applicant's parents may also be granted an Immigration Permit with the submission of an application and payment of the relevant fee
- Non-financially dependent children: An Immigration Permit may also be granted to non-financially dependent children of the applicant over the age of 18, provided that the market value of the acquired real estate attributed to each child is at least €300.000 (+VAT)

For more information on the schemes, please visit the website of the Ministry of Interior of the Republic of Cyprus, at [www.moi.gov.cy](http://www.moi.gov.cy)





# Living in Cyprus

Cyprus' strategic location, natural beauty and wealth have rendered the island a jewel in the Eastern Mediterranean through the ages. Since the settlement of the first Greek Mycenaeans in 1400-1300 BC, Cyprus has developed a unique character, harmoniously blending influences from different civilisations. The rich historical and cultural landscape is reflected in the hundreds of archaeological sites scattered throughout the country, representing various historical periods in the island's evolution.

This beautiful island offers visitors a wonderful living experience that combines a comfortable and stress-free way of life with a modern and sophisticated environment, ideal for people seeking the perfect balance between business and pleasure.

## Natural Beauty and Climate

Cyprus has a pleasant Mediterranean climate with year-round sunshine. Stunning coastlines, golden sandy beaches and clear blue waters, coexist harmoniously with glorious mountains of wild natural beauty and peaceful, picturesque villages. Cyprus' famous beaches have been awarded with 57 Blue Flags in 2015, ranking the island first in the EU for the tenth consecutive year, including three records:

- most Blue Flags per capita in the world
- most dense concentration of Blue Flag Beaches
- most Blue Flag beaches per coastline

## Quality of Life

High quality of life is without a doubt one of Cyprus' most compelling advantages. Indicatively, the island was ranked as the 5th best relocation destination worldwide by the 2013 Knight Frank Global Lifestyle Review, while Limassol, the second biggest city in Cyprus has been ranked 4th best retirement destination globally by the 2016 Knight Frank Global Lifestyle Review.

## Safety

Besides its natural beauty, Cyprus offers a very safe environment, with low stress levels and crime rates, ideal for a peaceful family life. Acknowledging the island's safety and security standards, ValuePenguin has ranked Cyprus 5th worldwide and 1st among smaller Countries in its Safest Countries in the World study for 2015.

“Cosmopolitan, buzzing, culturally rich, Cyprus offers a variety of lifestyle options in a beautiful, safe environment with excellent climate all year round”





## Culture

Cypriots are known worldwide for their genuine and sincere hospitality and friendliness, but also for the famous Cypriot cuisine, based on the healthy Mediterranean diet. Recipes dating back hundreds of years offer delicious gastronomical experiences, particularly the “Cyprus Meze” which consists of a large number of different cold and hot “hors d’oeuvres” such as assorted dips, salads, meats, vegetables, as well as various fresh fish delicacies.

With a buzzing cosmopolitan environment, arts and culture are flourishing with museum nights, local and international festivals, exhibitions and concerts taking place at both modern and ancient venues, such as historical open-air amphitheatres. With pleasant weather throughout the year, sports enthusiasts can ski in February, swim and kite surf until December, bike and play tennis and golf all year. A vibrant nightlife, with plenty of restaurants, bars and clubs, theatres and concerts caters to all tastes and lifestyles.



## Education

Third country nationals relocating to Cyprus do not have to worry about language and education. English is widely spoken in Cyprus, while most people are bilingual. The country offers excellent multilingual educational institutions, where courses are taught in English, French, German, Russian, Italian, Armenian and other languages.

## Infrastructure

The island benefits from a well-advanced and modern infrastructure, that makes day-to-day life easy, cost-effective and efficient. Commutes are minimal in Cyprus. One can drive from the capital, Nicosia, to the beach in Larnaka, in about 30 minutes.



# Doing Business in Cyprus

Cyprus has long established itself as a thriving business hub, with a vast array of investment opportunities in key growth sectors of the economy. The island's ideal strategic location, advanced infrastructure and high quality of life do not only represent key reasons to relocate and live in Cyprus, but are also at the heart of an investor's choice to invest in it.

## Strategic Location

The island is an ideal investment gateway to the European Union, as well as a portal for investment outside the EU, particularly into the Middle East, India and China. As a member of the wider EU and Eurozone community, Cyprus ensures safety and stability for investors, while also offering them market access to more than 500 million EU citizens.

The local infrastructure is ideally suited for business people who need to get things done. Thanks to its modern road network, extensive port facilities and two new international airports, travel and transport in and beyond Cyprus is fast, efficient and economical.

“Cyprus is a modern, cosmopolitan, transparent business centre offering opportunities for investment across a wide range of sectors”



## Human Talent

Human talent probably constitutes Cyprus' most compelling advantage, complemented by a broad range of high quality professional services. As a dynamic business centre, Cyprus offers an abundance of highly educated and skilled individuals, multilingual in their majority, ready to serve the needs of any business.

Cyprus, indeed, has all the right ingredients to maintain a strong and resilient economy, due to its small size, productive labour force, business friendly and flexible government.

## Legal System and Transparency

Our country's competitive advantages are significantly enriched by a robust and transparent legal and regulatory framework and an attractive tax regime, which offers a wide range of incentives and advantages both for legal and natural persons.

Cyprus' legal system, based on English Common Law principles, is widely recognised as a business-friendly and effective system that ensures transparency and reliability in business practices. Offering foreign businesses a familiar and reliable framework within which to operate, Cyprus' legal system is also fully compliant with the EU, the Financial Action Task Force on Money Laundering (FATF), OECD, FATCA, the Financial Stability Forum laws and regulations and EU AML directives.



### Tax system

Cyprus offers an attractive and transparent tax regime, fully compliant with EU, OECD and international laws and regulations. Providing access to an extensive network of more than 60 Double Tax Treaties, and maintaining a corporate tax rate of 12.5%, one of the lowest in the EU, Cyprus offers international investors and domestic businesses confidence to invest, grow and prosper.

Some of the main features of the Cyprus tax system include:

- Dividend participation exemption
- Exemption on disposal of securities (e.g. shares, bonds, debentures)
- No succession taxes
- No withholding taxes
- Attractive IP regime
- Tonnage tax for shipping companies

Significant exemptions are also in place for non-domiciled individuals taking up residence in Cyprus:

- No tax on dividends and interest
- 50% exemption on income from employment in Cyprus of a person who was not previously resident in Cyprus. The exemption applies for ten years, provided that the income from employment in Cyprus exceeds €100.000 per annum





# About Invest Cyprus

Businesses and individuals considering investment into Cyprus have a partner on the ground at all stages of the investment cycle. Invest Cyprus is a non-profit national body and the government's dedicated partner responsible for the facilitation of investments into Cyprus. In close collaboration with all government authorities, public institutions as well as the private sector and international experts, Invest Cyprus is the investor's single point of contact.

Invest Cyprus takes the lead in attracting and facilitating Foreign Direct Investment in key economic sectors, working with the investor, for the investor. Dedicated to continuously improving the business and regulatory environment, Invest Cyprus advocates reform while providing continuous investor support and aftercare services.

Invest Cyprus is a member of the World Association of Investment Promotion Agencies (WAIPA) and the Mediterranean Investment Network, ANIMA.



Disclaimer: The information available in this guide intends to provide a general introduction to the business environment in Cyprus, and every reasonable effort is being made to ensure its accuracy and timely amendment. In no circumstances shall the Cyprus Investment Promotion Agency (CIPA) be legally bound as a result of any information contained in this guide. Updated information can be found at all times on the website of Cyprus Investment Promotion Agency, at [www.investcyprus.org.cy](http://www.investcyprus.org.cy)





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Cyprus

Cyprus Investment Promotion Agency  
Severis Building, 9 Makariou III Ave. 4th Floor, Lefkosia 1065, Cyprus  
P.O. Box 27032, Lefkosia 1641, Cyprus  
T +357 22 441133, F +357 22 441134  
E [info@investcyprus.org.cy](mailto:info@investcyprus.org.cy)  
[www.investcyprus.org.cy](http://www.investcyprus.org.cy)