



International Communities Organisation

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RESEARCH ON DEVELOPMENT (CYPRUS)

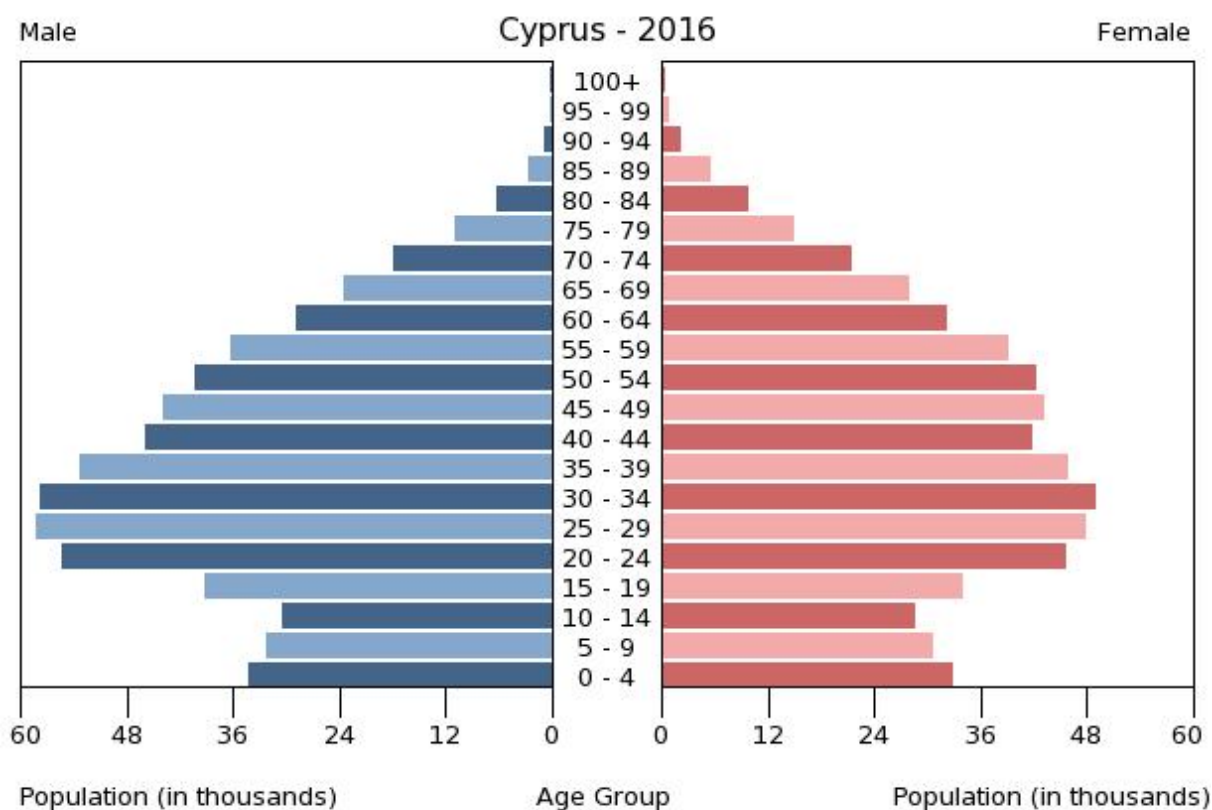
- 1. Demographic Information** on population, population of young people, ethnic groups, language, religion, unemployment, literacy rate and other important factors

BACKGROUND TO THE SITUATION IN CYPRUS

Population	1,205,575 (July 2016 est.)
Age structure	0-14 years: 15.58% (male 96,582/female 91,296) 15-24 years: 14.37% (male 94,262/female 78,982) 25-54 years: 46.99% (male 298,368/female 268,080) 55-64 years: 11.26% (male 65,005/female 70,752) 65 years and over: 11.8% (male 61,581/female 80,667) (2016 est.)
Dependency ratios	total dependency ratio: 41.6% youth dependency ratio: 23.4% elderly dependency ratio: 18.2% potential support ratio: 5.5% (2015 est.)
Median age	total: 36.4 years male: 35.1 years female: 38 years (2016 est.)
Population growth rate	1.38% (2016 est.)
Birth rate	11.4 births/1,000 population (2016 est.)
Death rate	6.7 deaths/1,000 population (2016 est.)
Net migration rate	9.1 migrant(s)/1,000 population (2016 est.)
Urbanization	urban population: 66.9% of total population (2015) rate of urbanization: 0.89% annual rate of change (2010-15 est.)
Major cities - population	NICOSIA (capital) 251,000 (2014)
Sex ratio	at birth: 1.05 male(s)/female 0-14 years: 1.06 male(s)/female 15-24 years: 1.19 male(s)/female 25-54 years: 1.11 male(s)/female 55-64 years: 0.92 male(s)/female

65 years and over: 0.77 male(s)/female
total population: 0.76 male(s)/female (2016 est.)

Mother's mean age at first birth	28.5 note: data represent only government-controlled areas (2010 est.)
Infant mortality rate	total: 8.1 deaths/1,000 live births male: 9.6 deaths/1,000 live births female: 6.6 deaths/1,000 live births (2016 est.)
Life expectancy at birth	total population: 78.7 years male: 75.8 years female: 81.6 years (2016 est.)
Nationality	noun: Cypriot(s) adjective: Cypriot
Ethnic groups	Greek 98.8%, other 1% (includes Maronite, Armenian, Turkish-Cypriot), unspecified 0.2% note: data represent only the government-controlled area of Cyprus (2011 est.)
Religions	Orthodox Christian 89.1%, Roman Catholic 2.9%, Protestant/Anglican 2%, Muslim 1.8%, Buddhist 1%, other (includes Maronite, Armenian Church, Hindu) 1.4%, unknown 1.1%, none/atheist 0.6% note: data represent only the government-controlled area of Cyprus (2011 est.)
Languages	Greek (official) 80.9%, Turkish (official) 0.2%, English 4.1%, Romanian 2.9%, Russian 2.5%, Bulgarian 2.2%, Arabic 1.2%, Filipino 1.1%, other 4.3%, unspecified 0.6% note: data represent only the government-controlled area of Cyprus (2011 est.)
Literacy	definition: age 15 and over can read and write total population: 99.1% male: 99.5% female: 98.7% (2015 est.)
People - note	demographic data for Cyprus represent the population of the government-controlled area and the area administered by Turkish Cypriots, unless otherwise indicated
School life expectancy (primary to tertiary education)	total: 14 years male: 14 years female: 15 years (2014)
Education expenditures	6.6% of GDP (2011)
Maternal mortality rate	7 deaths/100,000 live births (2015 est.)
Health expenditures	7.4% of GDP (2014)



Unemployment:

11.8% (2016 est.)

14.9% (2015 est.)

9.4% (2005 est.)

country comparison to the world: [133](#)

Unemployment Youth Ages 15-24:

total: 35.9%

male: 37.4%

female: 34.6% (2014 est.)

2. What are the resources of Young People's Education (i.e. Public Support, Benefits, Higher Education Credits etc.), please include population of young people and their literacy and unemployment rate.

The education system in both parts of Cyprus is based on a nationalist ideology which demonises the other section of the population. There are four categories of higher education institutions in Cyprus: public universities, private universities, public non-university level institutions and private non-university level institutions.

3. Are there Laws and Institutions working for Reform and development of the legal and institutional infrastructure upon which financial and capital markets are built

The Cyprus economy is emerging from a deep economic crisis which has severely affected the welfare of its people. Through the determined efforts of its people, Cyprus exited the Economic Adjustment Programme in March 2016 accomplishing, as acknowledged by the EU Institutions, important achievements in the programme's duration. Economic policy in the past three years placed priority on fiscal consolidation, the resumption of financial stability and structural reforms to help businesses unlock the potential of the economy and return to growth, job creation and prosperity.

Cyprus is committed to continuing the process of economic reform in order to return to a sustainable growth path. The aim is to achieve the improvement of the overall competitiveness of the economy and to unlock the country's investment potential.

The National Reform Programme encompasses:

- The broad macroeconomic context in Cyprus, in line with the Stability Programme.
- Structural and institutional reform measures promoted through the Government's Action Plan for Growth and other medium-term reform initiatives aiming at a smart, sustainable and inclusive growth, as well as measures that were identified in the context of the Economic Adjustment Programme the implementation of which has not yet been completed.
- Measures to address the priorities set out by the European Commission for the Euro Area Member States as a whole, as stipulated in the Euro Area Recommendations.
- Cyprus's actions in support of the five headline Europe 2020 targets, indicating progress achieved since last year's NRP.

The priority areas of the Policy Statement are the following areas:

- Cultivating the Entrepreneurial Culture.
- Improving the Business Environment.
- Enhancing the Entrepreneurial Innovation.
- Facilitating Access to Finance.
- Improving Access to Markets.

Work is currently focusing on promoting the implementation of the 2016 work plan set under the Policy Statement. Below are some of the key actions of this year's plan:

- Cyprus participation in the Global Entrepreneurship Monitor (GEM) Programme.
- Assess and promote the integration of entrepreneurship education in school curricula.
- Further promote and support the implementation and students' participation in entrepreneurship programmes, initiatives and competitions (e.g. Junior Achievement).

- Provide training programmes for teachers and careers advisors.
- Promote the simplification of the procedures to set-up a business (Registrar of Companies, Tax Department, Social Insurance).
- Promote further simplifications and improvements in the existing regulatory framework in the context of the “Think Small First” principle.
- Promote the introduction of an “SME Test” in the context of a revised Impact Assessment mechanism for new legislation.
- Examine the development of a national mechanism to attract and facilitate the establishment of start-ups from abroad in Cyprus (Startup Visa program).
- Promote tax incentives for innovative enterprises. - Further promote e-government - new e-services for businesses through the government’s gateway (Ariadne) and access to Public Service Information. - Examine and revise legislation to enable the establishment of University spin-offs. - Design of a National Technology Transfer Center.
- Assess new schemes and alternative funding instruments/mechanisms e.g. under European Structural and Investment Funds (ESIF) 2014-2020.
- Raise awareness and promote participation in EU Competitive Programmes.
- Assess regulatory framework for alternative financing (e.g. through Crowd Funding platforms) and government participation/support (e.g. in VC Funds).
- Undertake a study for the re-orientation and strengthening of the export activity.
- Promote e-commerce and other use of ICT by businesses.
- Enhance the role and use of CY Trade Centers abroad.
- Further promote the role and support provided by the Export Help Desk. Some of the above measures are already in progress while others are expected to be implemented by the competent authorities within the following months. It is noted that some of the activities under the framework of the Policy Statement also fall under the scope of areas that are presented in the sections that follow.

Public Financial Management

The government, in the process of reforming the public financial management in Cyprus, adopted the Fiscal Responsibility and Budget System Law (FRBSL) in February 2014. The FRBSL, inter alia, directly links the budget process with the medium-term fiscal targets, which translates into binding expenditure ceilings, based on a prudent macroeconomic policy framework, evaluated by independent institutions, including the Fiscal Council. Public Financial Management (PFM) provides flexibility to line ministries by moving from controlling inputs to achieving measurable outputs/outcomes. PFM also fosters accountability and transparency in the consumption of public resources through strategic planning, prioritization and risk mitigation. Additionally it allows for systematic investment project evaluation and overall systematic assessment, monitoring and management of fiscal risks.

In the context of the new Public Financial Management System, Ministries prepare strategic plans which need to be in line with the Government Strategy Statement which sets out the overall objectives and direction for the economy which is also consistent with the Action Plan for Growth.

Cyprus Stock Exchange (“CSE”)

The PU is currently in the process of initiating a tender for the appointment of an advisor that will be mandated to perform, among others, the following key tasks: i. Prepare a strategic plan which will include the identification, analysis and presentation of feasible private sector participation options and recommendation as to the optimal strategy and way forward for the CSE. Based on the results and recommendations of the strategic plan, the Interministerial Committee for Privatisations and/or the Council of Ministers will approve/reject/require amendments to the strategic plan submitted by the advisor. ii. Subject to the decision(s) of the Interministerial Committee for Privatisations and/or the Council of Ministers, as described above, design, prepare, manage and execute all aspects of the transaction for the selection of the strategic partner(s)/investor(s).

In 2015, all Ministries prepared Strategic Plans which were linked to the budget process. Furthermore, there was pilot implementation of activities based budgets by the Ministries and a gradual application of the monitoring and assessment system which includes performance and evaluation indicators related with the achievement of objectives and policies, as defined in strategic projects.

4. Are there any courses on “financial literacy” provided by the Civil Society Organisations? Or any campaign on “financial literacy” provided through mass media - television, internet, radio, print

UN Secretary General Ban Ki Moon’s recent assessment of the current peace negotiations acknowledged, for the first time from such a source, the role of Cypriot civil society in contributing to the peace process. The Secretary General has urged the leaders of the two communities “to engage civil society in the task of reaching a comprehensive settlement and to take into account ... important civil society efforts to contribute to the peace. They point to the importance of incentives for people to become mobilised, for example in relation to security, democracy, or economic improvement.

Civil society itself divided by the Green Line – with separate support, NGOs, advocacy groups, labour unions, professional associations, and relief and charitable organisations, providing similar functions in their respective communities – opportunities or the desire for CSOs to become involved in joint activities have been limited. Nevertheless, there has been a substantial amount of peacebuilding work (training, conflict resolution workshops, interactive problem solving workshops, communication workshops, bicommunal projects, meetings, contacts, visits) over the past two decades. ³⁴ In addition, those involved in such activities in the Turkish Cypriot community were able to mobilise other CSOs and members into a successful mass movement to campaign for a ‘yes’ vote in the referendum on the Annan Plan in the early 2000s.

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