

LIVING AND WORKING IN CYPRUS

A Guide to European Citizens who want to work in Cyprus

1. AN INTRODUCTION TO CYPRUS

The third largest island of the Mediterranean basin (9.251 square kilometres) situated in the north-eastern end between Europe, Asia and Africa.

Intense Mediterranean climate, with long dry summers from mid-May to mid-October and mild winters from December to February, which are separated by short autumn and spring seasons.

Cyprus prides itself on being the living continuation of one of the world's oldest civilizations. Though a small island, it has always played an important role in the history of the Mediterranean, far exceeding its size. The first signs of undisputed human activity can be traced back to 8500 BC.

In 1960 Cyprus became an Independent Republic following an 82-year period of British administration.

In 1974, Turkey launched a military operation and its troops took control of 37% of the island with large-scale population movements as a result. The de-facto separation remains to this day. Efforts are made under the auspices of the UN to find a solution acceptable to both sides.

The Government of the Republic of Cyprus is recognised by EU and UN as the only legitimate government.

The present population of Cyprus is estimated at 870.000 of whom 696.870 (80,1%) belong to the Greek Cypriot community, 94.830 (10,9%) to the Turkish Cypriot community and 78.300 (9%) are foreigners residing in Cyprus.

2. WORKING IN CYPRUS

Migration and registration

- *Who can work?*

As from 1st May 2004, nationals from EU member states (incl. European Economic Area countries and Switzerland) can work in Cyprus without restrictions.

However, they will need to register if they intend to stay longer than 3 months and take up employment in Cyprus. They must apply for a registration certificate to the Civil Registry & Migration Dept., as soon as they secure employment and in any case within a period of 4 months since the date of entry to Cyprus.

EU nationals working in Cyprus have the same rights as Cypriot nationals with regard to pay, working conditions, and access to housing, vocational training, social security and trade union membership. Family and relatives, who are dependent on them such as children, have similar rights.

- ***What will you need?***

Once in Cyprus, if there is an intention to stay and take up employment one has to:

a) Apply for an Alien Registration Certificate (ARC) at the local Immigration Branch of the Police (issued automatically for monitoring purposes) and at the same time apply for a **Registration Certificate**. This application must be submitted before the expiration of a 4-month period (as mentioned before) at the local Immigration Branch of the Police (Please note that a fine is imposed in case of non-compliance).

In applying for a registration certificate, the EU citizen must turn up personally at the Civil Registry and Migration Department (this service is for the time being, provided at the local Immigration Branch of the Police in all districts except Nicosia where a District Migration Office exists) and submit the following:

- A duly completed standard form (obtainable from Civil Registry & Migration Dept or from the local Immigration Branch of the Police) depending on the category of residence one is applying for (employed activity, self-employment etc.).
- Valid Passport or ID Card
- 2 photos
- A fee of €8,54

(Note: if one is applying for dependants, he must present certified true copies of marriage certificate, birth certificates of children etc.).

c) apply for a social insurance number upon securing employment in Cyprus

The registration certificate is issued within 6 months from the date of application.

More information:

Tel.: +357 22804400

migration@crmd.moi.gov.cy

3. FINDING A JOB

Public Employment Service

One can visit any District Labour Office to register and receive appropriate information, guidance and assistance in job placement.

A job seeker registering at the Public Employment Service for the first time, must present a valid Passport or ID card, plus copies of certificates of academic and/or professional qualifications as well as translation in either Greek or English.

Contact details at the end of this leaflet.

More information on the website of the Department of Labour: www.mlsi.gov.cy/dl

Private employment agencies/job databases

Private recruitment agencies (mainly within Consultancy Firms), are an important source for managerial and highly specialized jobs. Also in the last years a considerable number of private recruitment services specialize in recruiting skilled and semi-skilled labour from abroad.

More information upon request from the Cyprus Human Resources Management Association (www.cyhrma.org) and from the Cyprus Chamber of Commerce and Industry (www.ccci.org.cy)

Some private recruitment agencies have a job database with vacancies as well as CV online.

Please note that on the basis of legislation regulating the operation and registration of these agencies, the services offered to jobseekers are free of charge. Complaints about misconduct of the agencies can be submitted to the Director of Dept. of Labour, tel. +357 22400802, e-mail: director@dl.mlsi.gov.cy

Newspapers/websites

Newspapers are considered an important source when looking for a job in Cyprus.

On the Cyprus Government Web Portal www.cyprus.gov.cy, you can find links to the websites of all main newspapers in Cyprus.

Internet-based vacancy systems

Another way to look for vacancies online is via the Internet-based vacancy system of the Public Employment Service www.pescps.dl.mlsi.gov.cy. The vacancy details are either in Greek or in English (according to the language used when inserted).

One can also search for job vacancies in EURES, the European Employment Services Network (www.eures.europa.eu), in Cyprus' section, where there is also detailed information on the issue of living and working in Cyprus.

Applying for a job

The application procedure will differ depending on the type of work you are looking for.

Of course an employer will understand that you cannot come to Cyprus for just an interview, so a letter of application will initially do.

The standard procedure though, for middle and more senior personnel is a typed letter of application accompanied by a CV.

There is no standard CV or covering letter. However, it is important to include in the CV, information on academic or professional qualifications and experience as well as personal data and information relevant to job preference. The application letter and CV should be typed and a maximum length of two pages should be satisfactory.

Usually references are not required, unless specifically asked in the job advertisement or the specific application form – if such form exists.

4. PURSUIT OF PROFESSIONS WHICH ARE REGULATED

In the case of wishing to pursue a profession or occupation in Cyprus which is regulated, then a different procedure is followed. Therefore it is wise before coming to Cyprus to find out which are these regulated professions/occupations. These include for example, the profession of doctor, architect, nurse, aesthetician, lawyer, estate agent, mechanical engineer, taxi and bus driver, geologist etc.

The Labour Department acts as a National Focal Point for providing information on legislation and procedures with regard to pursuing regulated professions in Cyprus, as well as information on the “competent body” responsible for examining applications submitted for the exercise of a regulated profession (For inquiries: qualifications@dl.mlsi.gov.cy).

5. STARTING WORK

Wages/collective agreements

Wages are either agreed with the employer, or are based on collective agreements applying in various sectors of economic activity.

For the protection of vulnerable groups of employees, who are mainly characterised by their weak bargaining power, an Order is issued annually, providing for a minimum wage for certain occupations like shop assistants, clerks, child-care workers (assistant baby and child minders) and personal care workers (nursing aids). The minimum wage for newly recruited employees is currently €743 gross per month, increased to €789 for those with a continuous service of more than 6 months.

On the basis of relevant legislation, the employer is obliged - within a period of one month from the date of commencement of the job - to communicate to the newly recruited employee **in writing**, the terms of his/her employment. In case of non-

compliance, complaints can be submitted to the Director of the Department of Labour Relations, tel. +357 22451500, e-mail: info@dlr.mlsi.gov.cy or online on their website www.mlsi.gov.cy/dlr

Taxation

An EU citizen has to contact the Department of Inland Revenue in order to get a Taxpayer's Identification Code. He must present his passport and also will have to fill in Form I.R. 163A.

Tax liability is based on the principle of residence. According to the Income tax Law, an individual is considered to be resident in Cyprus for tax purposes if he resides therein for a period or more which, in aggregate exceed 183 days. Tax residents in Cyprus are taxed in respect of their worldwide income, while non- tax residents are taxed in respect of Cyprus source income only. Non-tax residents having a permanent establishment in Cyprus may elect, if it is to their benefit, to be taxed in accordance with the provisions applicable to tax residents.

The Income tax Law provides for various exemptions, on condition that certain criteria are satisfied.

Personal income tax:

For an income up to	€19.500/year	0% tax rate
“	€19.501 -€28.000/year	20% tax rate
“	€28.001- €36.300/year	25% tax rate
“ over	€36.301/ year	30% tax rate

Tax is deducted monthly from the salary.

Tax authorities: Ministry of Finance, Inland Revenue Department
Tel.: +357 22601921
Fax.: +357 22661243
e-mail: svrasida@ird.mof.gov.cy
<http://www.mof.gov.cy>

Moreover, Income Tax Returns can be submitted electronically, using the TAXISNET system, at the following address: <http://taxisnet.mof.gov.cy>

Social Security

In Cyprus there is a general earnings related Social Insurance Scheme, which covers compulsorily, every person gainfully occupied in Cyprus either as employed or self employed person. Employed persons include civil servants and apprentices.

Voluntary insurance is allowed to persons who wish to continue their insurance after a prescribed period of compulsory insurance or to persons who work abroad in the service of Cypriot employers.

The Scheme is financed by earnings related contributions payable by the insured person, the employer and the State. In the case of employees the contribution is 16,6% on his earnings, 6,3% payable by the employee, 6,3% payable by the employer and 4% by the State. In the case of self-employed persons the contribution is 15,6% on the self-employed person's prescribed income, 11,6% is paid by the self-employed himself and 4% by the State. In the case of voluntary insured persons the

contribution is 13,5% on the earnings on which they opt to pay contributions. From the 13,5%, 10% is paid by the voluntary contributor and 3,5% by the State.

- ***Transferring your social insurance benefits***

Cyprus, as of 1 May 2004, applies the EC Regulation 1408/71 and 574/72 which coordinate the social security systems of the member states of the European Union, the European Economic Area and Switzerland. The EC Regulation 1408/71 governs the retention and transfer of social security entitlements when a person moves from one member state to another.

The principles of these regulations are:

- No discrimination between nationalities (equal treatment)
- Workers are subject to legislation of only one state at a time
- The rights to benefits in course of acquisition are protected (aggregation of periods of insurance, employment or residence)
- The rights you have already acquired are protected (e.g. you can receive the benefits you have already claimed wherever you live in the EU).

Furthermore, Cyprus has concluded reciprocal agreements on social security with 4 countries/areas other than the EU member states (Canada, Quebec, Egypt and Australia) for the purpose of maintaining the social security rights of persons who move between Cyprus and these countries.

- ***Kinds of Benefits***

The scheme provides for various benefits including marriage grant, funeral grant, maternity grant, maternity allowance, sickness benefit, unemployment benefit, orphan's benefit, old age pension, widow's pension, invalidity pension

In addition, the Scheme provides free medical treatment to victims of industrial accidents and occupational diseases and to invalidity pensioners.

Kind of benefit	Beneficiaries and details
(a) Marriage Grant	Both spouses, employed, self employed and voluntary contributors based on the contributions of either of them. The amount of the marriage grant is €607 for each spouse for 2008.
(b) Maternity Grant	Mother, based on her or her husband's contributions, employed, self-employed or voluntary contributor. The amount of the maternity grant is €446 for 2008.
(c) Funeral Grant	Employed, self-employed and voluntary contributors, pensioners. The amount of the funeral grant is €607 for 2008 and it is payable to the widow or the widower or the person who has undertaken the funeral expenses.
(d) Maternity Allowance	Employed, self-employed women and voluntary insured women in the service of Cypriot Employers abroad. Maternity allowance is payable for a period of 18 weeks.

(e) Sickness Benefit	Employed, self employed and voluntary contributors in the service of Cypriot Employers abroad. The benefit is paid for at least 156 days in each period of interruption of employment.
(f) Unemployment Benefit	Employed and voluntary contributors in the service of Cypriot Employers abroad. The benefit is paid for 156 days in each period of interruption of employment.
(g) Invalidity Pension	Employed, self employed and voluntary contributors in the service of Cypriot Employers abroad. Invalidity pension is payable to persons who have been incapable for work for at least 156 days and are expected to remain permanently incapable for work.
(h) Old age Pension	Employed, self employed and voluntary contributors. An insured person is entitled to old age pension at the age of 65. If the person satisfies certain conditions then he is entitled to old age pension at the age of 63.
(i) Widow's Pension	Employed, self employed and voluntary contributors. Widow's pension is payable to the woman who was living with her husband before his death, or was maintained by him. Widower's pension is also payable to a man who is permanently incapable of self-support and was permanently maintained by his wife before her death.
(j) Orphan's Benefit	Employed, self employed and voluntary contributors. In the case where the orphan is under the age of 18, or is incapable of acting regardless of age, the benefit is paid to the person that maintains him. In all other cases the benefit is payable to the orphan. The benefit is paid until the orphan becomes an adult. Where the orphan is incapable of self-support, it is paid for life.
Benefits for employment accidents	
(k) Injury Benefit	Employed persons. Is payable from the fourth day of interruption of employment due to employment accident or occupational disease and continues to be paid for up to 12 months.
(l) Disablement Benefit	Employed persons. May take the form of either a grant or a pension, depending on the degree of disablement. Disablement pension is payable to employed persons whose degree of disability was caused by employment accident or occupational disease and is 20% or more. It is payable for life except when the beneficiary recovers. Disablement grant is payable to employed persons whose degree of disability is between 10%-19%.
(m) Death Benefit	Employed persons. Death benefit is paid to the survivors of an employed person, who dies as a result of employment accident or occupational disease. The benefit includes: (i) widow's pension, (ii) orphan's benefit, (iii) parent's allowance.

For more information:

Social Insurance Services

Tel.: +357 22401600 Fax.: +357 22672984

e-mail: interrel@sid.mlsi.gov.cy or visit their website on www.mlsi.gov.cy/sid

How to establish a company in Cyprus

All necessary information on how to establish a company in Cyprus you can find on the website of the Department of Registrar of Companies and Official Receiver:
www.mcit.gov.cy/drcor

6. HEALTH SYSTEM

EU citizens residing in Cyprus are subject to the same obligations and enjoy the same benefits under the legislation of Cyprus as Cypriot nationals.

The medical needs in Cyprus are met through three systems of health services:

- The government (public) health sector
- The private health sector, and
- A number of schemes covering specific sections of the population.

(a) Public Health Sector

The right to public health care in Cyprus is subject to an income test, i.e.

- Free of charge

Health care is provided free through government facilities to government employees, single persons whose annual income does not exceed €15.377,41 and members of families whose annual income does not exceed €30.754,82 increased by €1.708,60 for each dependant child. Also, it is free among others to members of families with 4 or more children, persons in receipt of public assistance and people suffering from certain chronic diseases or disabilities.

- At reduced fees

For people whose annual income is between €15.377,41 and €20.503,22 or to members of families whose annual income is between €30.754,83 and €37.589,23 increased by €1.708,60 for each dependant child.

- Paying patients

Persons not coming under above categories can make use of the Government medical services against payment of the fees prescribed from time to time.

Paying patients may have the fees for costly in-patient treatment reduced, taking into account the level of their income.

Furthermore, medical care free of charge is provided in all cases receiving treatment at the accident and emergency departments irrespective of the economic situation or the nationality of the person involved, including visitors. However, if these cases need hospitalization, subsequent care fees have to be paid.

Government provision of health care is funded out of general taxation.

(b) Private health sector

It is open to all those who can afford to pay for their treatment. Private medicine is

dominated by a large number of physicians in individual practice.

(c) Special Schemes

A number of special schemes cover specific sections of the population. These include:

- (i) Medical Services provided by the Trade Unions to their members and their dependants.
- (ii) A number of employer-sponsored arrangements, all of which provide free medical care mainly through public health facilities.

Health care free of charge or at reduced fees is provided to those who satisfy the referred income criteria and who are issued with a medical card after submitting an application on the prescribed form. One can get these forms from the Ministry of Health, the public hospitals and the Citizen Service Centres and deliver them duly completed, either to the same place or directly to the Ministry of Health.

For more information: www.moh.gov.cy

7. LIVING IN CYPRUS

Relocating from another country

Pets

They are required to:

- Be clearly identified by either an electronic microchip (compliance to ISO 11784:1996, or Annex A to ISO 11785:1996) or a readable tattoo. The incorporation of the microchip or the tattooing should be proved that it has been calendary done prior to rabies vaccination.
- Have been vaccinated against rabies virus, **at the age of not less than 3 months old**, with an inactivated rabies strain according to OIE standards. Rabies vaccination or revaccination, according to what applies, should have taken place at least one (1) month prior to animals' embarking the transportation means for arrival in Cyprus.
- Be accompanied by a European Passport (Decision 2003/803/EC) properly issued, updated and ratified by an authorized, by their country's competent authority, Veterinarian.
- The entry of dogs of the breeds mentioned below is not allowed in Cyprus:
 1. *American Pit Bull Terrier or Pit Bull Terrier*
 2. *Japanese Tosa or Tosa Inu*
 3. *Dogo Argentino or Argentinian Mastiff*
 4. *Fila Brasileiro or Brazilian Mastiff*

Also,

- The entry of companion animals aged less than 3 months IS NOT ALLOWED.
- Documents verifying that the animal has arrived into the territory of the Republic of Cyprus from one of the EU member countries.
- The records concerning vaccinations have been checked and proved to fulfil the provisions set forth.
- The verification that the above provisions are fulfilled will be done by inspecting each animal's Pet Passport upon arrival. Either a Veterinary Officer or the Customs Officers on duty will do the document inspection.

As long as the above provisions are fulfilled the companion animal enters Cyprus with its owner not having to pay any inspection fees.

In case the provisions are not fulfilled, in any way, the companion animal/s will be subjected to quarantine and its owner paying the legal inspection and quarantine fees provided by the laws in force plus VAT.

The Veterinary Services should be informed at least 24-48 hours of the intended animal's arrival information (Flight code, number, ship name, date and time of arrival).

For more information:

Animal Health and Welfare Division
Cyprus Veterinary Services Headquarters
Nicosia
Tel: +357 22805253
Fax: +357 22805176
E-mail: animal.health@vs.moa.gov.cy
ssavva@vs.moa.gov.cy

- car

All motor vehicles circulating in Cyprus need a motor vehicle licence issued by the Registrar of Motor Vehicles.

Drivers of all types of motor vehicles must be holders of driving licences which are issued after relevant tests and are valid until the age of 70. After this age, the licences are renewable every three years on submission of a medical certificate.

European citizens importing motor vehicles temporarily for their personal use, which are accompanied by proper certificates of registration and valid circulation licences, are not obliged to register them. In case the foreign circulation licence of a motor vehicle expires during its stay in Cyprus, the importer must pay to the Department of Road Transport the circulation fees.

A European citizen holding a valid driving license of his country can drive on the roads of Cyprus.

Before driving on the roads of Cyprus, a third party insurance cover, covering the

