



ANNUAL REPORT FOR 2013

EXECUTIVE SUMMARY

OEB IN EUROPE

OEB executives have attended specialised seminars and conferences in Europe and were active at EU employer and business decision-making centres. Among others, OEB was particularly active in the European Economic and Social Committee (EESC), the board of the European Foundation for the Improvements of Living and Working Conditions (Eurofound), the European Committee on Social Dialogue and the European Centre for the Development of Vocational Training (CEDEFOP). In addition, OEB has also participated in selected European programmes and specialised advisory groups of the European Commission.

European Economic and Social Committee

EESC is the most important advisory body of the EU, representing the interests of civil society through three interest groups: employers, employees and other civil society groups. EESC is a forum and the institutional basis enabling various financial and civil institutions of the Member-states to actively participate in the decision-making process. Cyprus is represented with six delegates, two for each group.

The main topics discussed in 2013 were the racial dimension of “Europe 2020” strategy, the economic policy of eurozone members, the Annual Review of Development for 2013, balanced gender representation on corporate boards, employment guidelines, the European Solidarity Fund, employment of women and economic development, the role of businesses in education in the EU, the combating of tax fraud and tax evasion, the social dimension of the European economic and monetary union, corporate law and governance, the free movement of workers and measures to foster youth employment.

European SME Week

In the context of the European SME Week and with the wide participation of public and private sector representatives, OEB and the Research Promotion Foundation organised on December 4th the event *SMEs: Enquire now for Support and Funding Services*. Participants were informed on a number of topics such as funding and educational opportunities.

The event was part of the European SME Week, an initiative of the European Commission coordinated by DG Enterprise and Industry, promoting entrepreneurship in Europe and informing on the support offered at regional and national level.

INTERNATIONAL ACTIVITIES

International Labour Organisation (ILO)

OEB participated in the annual meeting of the ILO in Geneva, Switzerland between the 4th and 20th of June. The main topic on the agenda was *Employment and Social Protection in the New Demographic Context*. Other topics discussed were *Sustainable Development, Decent Work and Green Jobs* and *Social Dialogue: Recurrent Discussion under the ILO Declaration on Social Justice for a Fair Globalisation*.

OEB has been representing Cypriot employers to the ILO continuously since 1960, the year the Republic of Cyprus became a member of the ILO.

International Organisation of Employers (IOE)

OEB is the sole employer organisation representing the interests of Cypriot businesses to IOE. As the most representative worldwide employer organisation, IOE represents the interests of its members around the globe. OEB's Director General is a member of IOE's Council which in 2013 discussed global financial issues and changes to IOE's Articles of Association.

BUSINESSEUROPE

OEB is the sole employer organisation representing the interests of Cypriot businesses to BUSINESSEUROPE, the most representative European employers organisation that includes among its membership 41 organisations from 35 countries.

In 2013 OEB's President and Director General, as members of BUSINESSEUROPE's Council of Presidents and Executive Committee respectively, discussed BUSINESSEUROPE's communication policy, its relations with sectoral links in Europe, the state of the European economy and the role of businesses as tools for economic growth.

TROIKA

The forced participation of depositors in saving the Cypriot banking system was undoubtedly the most important event of 2013. This was decided at the Eurogroup meeting of March 15th and proved to be an ill-advised decision with undesirable consequences to the economy. Bank of Cyprus depositors suffered a 47.5% "haircut" on their uninsured deposits while depositors of the Cyprus Popular Bank (Laiki) lost all their uninsured deposits.

As a result of the Eurogroup decision, the capital kept by businesses, despite the prolonged economic crisis, vanished while restrictions imposed on trade and capital movements caused significant liquidity problems and adverse side effects. Since March, restrictions have been gradually eased and are expected to be lifted completely by the end of 2014.

The newly elected administration immediately proceeded in taking decisive measures to comply with the terms of the loan agreement with international lenders. The implementation of the programme, especially with regard to fiscal consolidation, proceeded smoothly and led to the first upgrade of Cyprus' credit rating by international rating agencies in November, after several consecutive downgrades in recent years, and two positive reviews on the implementation progress of the loan agreement by Troika.

At the same time, the restructuring of the public sector and the implementation of the National Health System is being promoted. Within this context, OEB met with the Troika echelons (IMF, European Central Bank, European Commission) and had the opportunity to develop its suggestions and positions.

Discussions began on the divestiture process of certain state owned semi-governmental organisations and the abolishment of those that have completed their life cycle with significant developments on the matter expected to take place in 2014.

THE ECONOMY

Despite growth in the area of Tourism, Banking and Services (Public Administration, Education and Health) economic recession continued in 2013 resulting in a negative growth rate of approximately -5.4% in real terms compared with a negative rate of -2.4 % in 2012. The overall negative performance of the economy in 2013 was primarily due to negative growth rates in the secondary sector, mainly Construction, Manufacturing and Electricity, as well as in Retail and Transport.

The harmonized inflation rate in 2013, as measured by the Consumer Price Index, was 0.4% compared with 3.1 % in 2012. The decelerated inflation is mainly attributed to the reduction of prices in almost all economic sectors. As far as the non-harmonized inflation rate is concerned, 2013 was the first year with a negative annual rate of inflation (-0.4 %) since 1964.

The displeasing state of the economy is reflected in the labour market, resulting in a 15,9% unemployment rate compared to 11.9% in 2012. The biggest increases in unemployment were observed in Retail, Tourism and Construction.

Fiscal deficit for 2013 stood at 5.5 % of the GDP, compared with a deficit of 6.4 % in 2012. This reduction is attributed mainly to the government's increased revenue from fiscal consolidation measures implemented in the end of 2012.

Cyprus Innovation Award

The seventh competition for the Cyprus Innovation Award ended successfully in December 2012. A total of 19 applications from all sectors of economic activity were received and the four winners were the following:

- **Primary Sector: Oleastro Enterprises Ltd** for the production and marketing of organic olive oil and for the creation and operation of Oleastro dedicated theme park in Anogyra.

- **Manufacturing Sector: Medochemie Ltd** for the development and installation of a new technologically innovative air cooling system in one of the company's factories.
- **Services Sector: SignalGeneriX** for the creation of Wisense, a high-tech product introduced for the first time in Cyprus that enables automatic, autonomous and continuous remote monitoring of various industrial, commercial and environmental applications in real time.
- **Public Sector: Cyprus Postal Services** for introducing Parcel24, a new package delivery service which enables the recipient of a postal item to receive posted items through a system of automatic deposit boxes, also accessible to people with disabilities, 24/7.

The Innovation and Research Awards were presented by HE the President of the Republic Mr Nicos Anastasiadis during a special ceremony held on November 4, 2013.

During the same ceremony, the Research Promotion Foundation (IPE) also presented Mrs Fofi Constantinidou, Professor in the Department of Psychology, University of Cyprus with the "Senior Researcher Award" and Mr Ioannis Krikidis, Assistant Professor in the Department of Electrical Engineering and Computer Engineering, University of Cyprus with the "Young Researcher Award".

European Small Business Act

In a memorandum to the Commission for the Monitoring and Implementation of the European Small Business Act (SBA Act) of the Ministry of Energy, Commerce, Industry & Tourism (MECIT), OEB recommended the following:

Creation of a one-stop-shop for licensing projects in the real estate and renewable energy sector: one of the major issues promoted by OEB that would prove beneficial to businesses.

Overseas trade missions: The proposed trade missions should be organised by MECIT with b2b meetings planned in advance to avoid known preparation and coordination problems.

Electronic Governance (e-government) in the public sector: Further extension of the ARIADNE portal by providing more services such as the issuing of tax residence certificates, employer registration, the issuing of share ownership certificates and the issuing of employment permits for EU and third country nationals.

Public Sector Performance award for reducing bureaucracy: Establishment of an award to be presented to government departments that reduce bureaucracy on their own initiative.

Trade And Business Partnerships

In 2013 OEB promoted trade and business partnerships through:

- Participation in official missions aimed at promoting Cyprus as an international business centre.

- Promotion of collaborations of its Member Associations with their counterparts in other countries.
- Supporting the participation of its Members in trade exhibitions abroad.
- Organisation of the 9th SavEnergy Exhibition and the 6th Envirotec Water and Environment Technologies Exhibition.
- Briefed Members on Government announced grant schemes.
- Cooperated and maintained communication with the Republic's commercial attachés, foreign businessmen, ambassadors and journalists to promote Cypriot commercial interests.

OEB Energy Committee

OEB's Energy Committee held a meeting with the Commissioner for the Environment, Mrs Ioanna Panayiotou on 20 March 2013, to discuss the major energy issues concerning the business community.

During the meeting, Mr Chr. Michaelides, Vice President of OEB, emphasised the importance OEB places on the promotion of renewable energy and the need to reduce electricity costs. Topics discussed during the meeting included:

- The provision of bank guarantees for projects approved by MECIT's Special Fund for Renewable Energy Sources.
- The creation of a Pilot Energy Village in Cyprus to showcase the country's renewable energy prospects.
- The direct involvement of the private sector in the creation of infrastructure to exploit the country's hydrocarbon resources.
- The limitation of bureaucratic and licensing procedures for renewable energy projects to a maximum of 3 months.
- The establishment of the last quarter of each year as the set application period for renewable energy funding schemes, in order to avoid uncertainty in the sector.

The Energy Committee of OEB and the Commissioner for the Environment agreed to meet regularly on a bi-monthly basis and review the progress made on the above and other issues of common interest.

Services Sector

The wider Services sector, including financial services, presented negative growth in 2013.

OEB's membership and participation to BUSINESSEUROPE and the Union of Mediterranean

Confederation of Enterprises (UMCE-BUSINESSMED) contributes significantly to the promotion of Cyprus as an international and regional business center.

Tourism

Tourist arrivals in 2013 decreased to 2,405.4 million from 2,464.9 million in 2012 or by 2.4% despite an increase in arrivals from Russia (from 474,000 in 2012 to 608,000 in 2013). The decrease is attributed to the reduction of arrivals from the United Kingdom from which 37% of tourist arrivals originate (from 959,000 in 2012 to 891,000 in 2013), as well as reductions in tourist arrivals from Germany, Greece, the Netherlands and Italy.

Even with the decline in tourist arrivals, revenue from tourism in 2013 rose to 2082.4 million euros compared with 1927.7 million euros in 2012, an 8% increase. In absolute numbers, the overall gain was approximately 154.7 million euros relative to 2012 and 333.1 million euros compared to 2011.

Through meetings with government officials, the parliamentary parties and the Cyprus Tourism Organisation (CTO), OEB supported and promoted the rapid implementation of measures to boost tourism specified within CTO's strategic plan.

Industry

Eurogroup decisions for Cyprus in 2013 did not leave the manufacturing sector unaffected. The reduced growth rate of the manufacturing sector reached -8.9% compared with -7.4% in 2012 and its contribution to GDP at 5.1% remained unaffected since 2012.

Despite deteriorating conditions, OEB still considers the manufacturing sector as a key factor for sustained economic growth and the efforts to improve economic indicators affecting the sector continued throughout the year. Maintaining levels of competitiveness and employment are critical factors. The following were among the issues raised and promoted by OEB in 2013:

- Cost containment, especially with regard to inelastic expenditure such as electricity and council tax.
- Employment and training schemes funded by the government and the Human Resource Development Authority (HRDA).
- Securing more funding for industry from EU sources.
- The continuing participation of Cypriot industries in specialised international trade exhibitions to improve exports and penetrate new markets.

Agriculture

Agriculture continued to decline throughout 2013 at -1.1% (-0.5% in 2012). The sector's contribution to GDP was 2.2%, which is the average between 2009-2013.

Exports increased by €31.4 million, reaching €118 million. Potato and fish exports increased while citrus exports declined slightly.

Other Economic And Business Activities

Within the context of promoting the interests of its Members, OEB provided numerous and multidimensional services to enterprises and organisations through active participation and lobbying at all joint Committees, Councils and other relevant bodies.

OEB's executives play a crucial role in the smooth and productive operation of Professional Associations. The services provided, among others, include:

- Active participation in the work of the Professional Associations' Boards, helping them draft and formulate policies.
- Promotion and implementation of the Boards' decisions.
- Organisation of international business missions.
- Representation of Professional Associations at various regional and international conferences.
- Petitioning to Ministries, the House of Representatives and other relevant authorities and bodies.
- Conducting sector-specific research to identify problems and formulate policy.
- Representing Professional Associations in parliamentary committees as well as in committees of various ministries and semi-governmental organisations.

Furthermore, as part of the promotion of OEB's activities and positions executives of OEB:

- Participated in numerous television and radio shows to discuss all economic issues.
- Assisted Members in utilising national and EU funding schemes.
- Publicised OEB's positions in local and international media.

LABOUR RELATIONS AND SOCIAL POLICY

The prolonged economic crisis continued to adversely affect the Cypriot economy in 2013, determining to a large extent the developments in industrial relations and social policy. Eurogroup's unprecedented decisions and the ensuing forced participation of uninsured depositors in saving the country's banking system amplified the liquidity shortage, undermined further the credibility of the Cypriot banking system and increased the risk of deposit

withdrawals from Cypriot financial institutions. As a result, OEB adapted its strategies accordingly with the objective of helping businesses safeguard their sustainability.

Emphasis was placed in assisting businesses overcome the challenges the bail-in had imposed, containing unemployment and the conflict-free renewal of collective agreements in a way that retained or reduced labour costs. OEB made as its priority the faithful implementation of the Memorandum of Understanding (MoU).

Labour Demands and Collective Agreements

Various company and 6 sectoral collective agreements were renewed in 2013: Metal Industry, Electrical Contractors, Master Printers, Association of Shipping Agents (clerical staff), Ship-owners and Hotels. The collective agreements of Building Contractors and the Mosaic and Marbles Industry that had expired in 2010 were both renewed until 30/06/2014. The year ended with a negative growth rate of -5.4% and unemployment at 15.9% (-2.4% and 11.9% respectively for 2012).

Negotiations were affected by the bail-in, the continuous deterioration of the economy and the ensuing deep recession. The bail-in had dramatically affected Laiki Bank, the Bank of Cyprus and the Cooperatives, worsening the liquidity shortage and increasing the risks businesses faced. Trade unions, in general, were cooperative in helping reduce labour cost and limit redundancies. With the exception of the construction sector, labour peace was by and large safeguarded which is a testament to the maturity, resilience and high degree of cooperation in the Cypriot industrial relations system. Some collective agreements were not renewed but remained under negotiation. In almost every case, special arrangements were made between individual businesses and their employees (and the trade unions representing them) to further reduce labour costs.

Overall, employer demands focused on working hours, allowances and overtime pay, Provident Fund contributions and wages in order to reduce operating costs, improve productivity and retain jobs.

Following a mediation proposal by the Ministry of Labour and Social Insurance (MLSI), Master Printers renewed their collective agreement for a year until 31/12/2013, reducing employer contribution to the Provident Fund. Also following a mediation proposal, Hoteliers and Trade Unions reached an extraordinary 3 year agreement reducing labour costs.

The Association of Shipping Agents (clerical staff) has renewed its collective agreement for 2 years until 31/12/2014 without any increase in labour cost. Ship-owners renewed theirs for 3 years until 31/12/2016 with no increase in labour cost.

The Building Construction Industry (OSEOK) after a mediation proposal from MLSI reached an agreement with trade unions SEK and PEO to reduce labour cost for one year (17/6/2013-30/6/2014). A similar agreement was signed by the Mosaic and Marble Industry (27/6/2013-30/6/2014).

The new negotiating round covers the renewal of collective agreements of an isolated number of businesses as well as significant sectors of the economy. On 31/12/2013 the collective agreements of the Banking Sector, Master Printers, Daily and Weekly Newspapers and

Magazines Publishers (workers and authors), Car Importers, Shipping Agents (port workers) and Private Hospitals had expired.

Eurogroup's Decisions and OEB's Circular to Businesses

Having monitored closely the events that followed Eurogroup's decisions in March 2013, OEB issued a circular to its Members on April 3rd expressing its full support to the business world. In its circular, OEB called upon businesses to consult with their staff and trade unions and, where appropriate, make the necessary arrangements to ensure their viability, assist their gradual recovery and protect jobs. Moreover, OEB stressed out that such arrangements must have the explicit consent of the affected employees and their representatives and urged its Members to refrain from layoffs if possible, by employing a number of suggested measures such as the suspension of work benefits and wage reductions.

Strikes

There were fewer strikes in 2013 compared to 2012 affecting however a larger number of employees and increasing the number of lost work days dramatically. The most notable strike was in the construction industry, following a deadlock in the discussions for the renewal of the sector's collective agreement. Other notable strikes were in some semi-governmental organisations opposing their privatisation.

Employment of Third Country Nationals

Due to the deterioration of the economy and rising unemployment, MLSI and trade unions exerted significant pressure on businesses to further restrict the number of work permits for third country nationals under the erroneous premise that dismissed workers from third countries would be immediately replaced by unemployed Cypriots.

OEB repeatedly explained that workers from third countries were employed in professions undesirable to Cypriots and EU nationals and in sectors with proven labour shortages. The cancellation or failure to renew work permits would severely affect those businesses that rely on third country nationals since they cannot reliably replace those workers with Cypriots or EU nationals, further jeopardising more jobs. OEB also underlined the positive impact of foreigners working in productive sectors of the economy and stressed the need to combat illegal and undeclared work which primarily affects law abiding businesses.

Unemployment

As in previous years, OEB tabled a number of feasible proposals to create development conditions and enhance employment. Sadly, due to the ongoing deterioration of the economy in 2013 which led to significant reductions in turnover and profitability, unemployment rose to 15.9% in 2013, compared to 11.9% in 2012. Meanwhile, the number of youth and the long-term unemployment continued to increase.

MLSI, with OEB's contribution, initiated a series of measures and employment schemes to curb unemployment.

Labour Advisory Council

The main issues discussed at the Labour Advisory Council in 2013 included the Protection of Wages (Amending) Law, the implementation of an extraordinary action plan against the effects of the crisis on the labour market, the submission to the competent authorities of the International Labour Conference (ILC) adopted standards, the Code of Practice on heat stress, a fast-track health and safety training scheme for new entrants to the labour market, the Bill on the implementation of the EU Regulation 492/2011/EC concerning the freedom of movement for workers within the European Union, the implementation progress of MoU provisions concerning the Ministry of Labour and Social Insurance and the revision of the state's benefit and social transfers policy.

Social Insurance Fund

The major development in 2013 concerning the Social Insurance Fund (SIF) was the conduct of a new actuarial study prepared within the context of the MoU. The actuarial study has been evaluated by the ILO and its findings validated.

According to the study, SIF is viable until 2060 and the gradual increase of the retirement age from 63 to 65 has been agreed in order to ensure its sustainability. It was further agreed that **Employers** and **Employees'** respective contributions be increased by 1% (from 6.8% to 7.8%). The contribution of **Employees covered under an occupational pension plan** was increased by 0.5% (from 3.45% to 3.95%), while their employers' contribution by 1.5% (10.15% to 11.65%). **Self-employed** contributions increased by 2% (12.6% to 14.6%). All contributions from the Republic's Consolidated Fund were increased by 0.3% (from 4.3% to 4.6%).

Redundancy Fund

The number of applications submitted to the Redundancy Fund in 2013 arose to 13592. The number of redundancies have greatly increased in the last three years (2010-2013) and the number of applications submitted in 2013 is more than double compared to 2010 (5409).

Minimum Wage

OEB requested from MLSI to rationalise minimum wage and reduce it by 20% as a support measure to struggling businesses and as an incentive to boost employment among the professions covered. Despite OEB's efforts, minimum wage was not decreased but remained at 2012 levels.

Shop assistants, clerks, child-care workers (assistant baby and child minders) and personal care workers (nursing assistants) earn €870 per month upon hiring, rising to €924 after 6 months of employment to the same employer. Security guards earn €4.90 per hour when hired and €5.20 per hour after six months of employment to the same employer. Cleaners receive €4.55 per hour and €4.84 per hour respectively.

Shop Working Hours

As in previous years, OEB continued promoting its long standing position for the liberalisation of shop working hours on the grounds that such a measure would convenience consumers and boost employment in the retail sector. In July, the Minister of Labour issued edicts effectively declaring the whole of Cyprus as a tourist zone enabling retail businesses to extend their working hours on a voluntary basis. Under this new scheme any shop in Cyprus may operate seven days a week until late.

According to available data, retail turnover increased compared to the months preceding the introduction of the measure whereas hundreds of unemployed were hired to cover the extended shop opening working hours. The extended shop opening hours were quickly embraced by the public, verifying the correctness of OEB's position.

Health and Safety in the Workplace

OEB remains focused in briefing its Members on health and safety issues and the application of the EU *acquis*. The legal framework imposes a multitude of obligations to employers and due to the complexity of the matter OEB has set up a Special Service in order to assist businesses to comply.

Promotion of Equality of the sexes

The participation of women in the labour market is very important to OEB. In order to promote and encourage equality between men and women in the workplace, OEB is actively involved in equality related bodies while undertaking its own initiatives. Specifically, OEB contributes to the formulation of relevant policies within the framework of the National Mechanism for the Rights of Women and its subcommittees, through its participation in the Committee on the Equality of Sexes in Employment and Professional Education and by promoting the positions of the Cyprus Federation of Business Women and Professionals.

OEB has successfully commenced the development of a tool for certifying companies implementing good gender equality practices in the workplace. The tool is expected to be completed by November 2015 and is a part of 'Actions for Reducing the Gender Pay Gap', a co-funded project implemented by MLSI's Department of Labour Relations.

Other Industrial Relations and Social Policy Activities

Throughout the year, OEB provided information and guidance for the proper application of labour legislation, the handling of labour disputes and other industrial relations issues to many companies.

During 2013, OEB focused on addressing the effects of the economic crisis, the implementation of flexible working arrangements, the enhancement of gender equality and the planning and implementation of active forms of social protection to protect vulnerable groups from social exclusion.

Moreover, in promoting its work and policies, OEB's officers gave interviews to local and international media, participated in radio and television broadcastings and in debates on economic and social issues.

MANAGEMENT AND TRAINING

Upgrading management through an extensive network of training programs is an integral part of OEB's continued efforts to support the growth of Cypriot enterprises.

Developing our people is both a business and social imperative for industry; skills enhancement leads to innovation, innovation leads to growth and growth leads to prosperity. To help meet this challenge the Department of Management Development has organized during 2013 training programmes on entrepreneurship, management, labour relations, energy saving, health and safety at the workplace and other topics.

All training programmes had pioneering themes with rich and quality content, providing value to the 780 participants that have attended them.

The department has also organised in-house training programmes for senior managers, made to order to meet the specific training needs of each enterprise.

The Management Development Department is certified with the EN ISO9001:2008 for providing educational and training services and as a centre for providing professional training by the Human Resources Development Authority.

STUDIES AND STRATEGIC PLANNING

Investors in People

Within its continued efforts to boost the competitiveness of Cypriot enterprises, OEB promoted the "Implementation of the Investors In People Standard in Cypriot Enterprises and Organisations" project which is co-funded by the Republic of Cyprus and EU's European Social Fund. Upon accreditation, the successful organisations received an indirect subsidy calculated on the total costs of received Advisory Services and Assessment.

Thirty additional organisations were accredited in 2013, raising the total number of accredited organisations in Cyprus to 68 with OEB being among them. The awards will be presented to the organisations by the Minister of Labour and Social Insurance Mrs. Zeta Emilianidou, the President of OEB Mr. Filios Zachariades and Mr. David Dale, the Operations Manager of Investors in People International. The award ceremony will be followed by the Investors in People Network Meeting which will focus on "The Investors in People approach in difficult economic times".

Sound Labour Relations – Contemporary Enterprises

The Council of Ministers has approved OEB's proposal for implementing the project "Sound Labour Relations – Contemporary Enterprises" which is co-funded by the Republic of Cyprus and EU's European Social Fund. The project aims to bridge the gap caused by the economic crisis' financial and functional pressures on small and medium firms and the need for precise and effective implementation of the labour institutional and legislative framework governing industrial relations.

Human Resources Studies

Tailored solutions on issues dealing with the Administration and Development of Human Resources of OEB's members were also provided. The studies evaluated the effectiveness of existing management and human resources methods within organisations and formulated practical effective solutions. Other services provided include restructuring studies, employee opinion surveys and training programs on first aid at work.

OTHER ISSUES

Cyprus Management Development Association

The Cyprus Management Development Association (CMDA) is an independent member-based, non-profit organisation founded by OEB and the Hellenic Management Association (EEDE).

Its core aims include the development and dissemination of principles, methods and management techniques in public or private organisations in Cyprus and abroad as well as the recognition of the individuals who hold managerial positions.

CMDA organised in 2013 a number of seminars on management, marketing, sales, retailing, human resources management and operation management, thus contributing to the promotion of modern management techniques.

During 2013 CMDA offered to its members up-to-date quality, specialised services required to satisfy the increasing demands of the challenging economic environment.

Recognising the increased need for information and training, the CMDA published in 2013 4 issues of *Manager*, the magazine that presents modern trends in the field as well as market news. Also, during the year CMDA further expanded its membership base.

EVENTS AND CONFERENCES

9th Congress of Land and Buildings

The Cyprus Association of Building and Land Developers, Member of OEB, in collaboration with the Royal Institute of Chartered Surveyors (RICS) organised the 9th Conference of Land Development and Buildings on the topic of "The Department of Land Development & Building 2014 and 2015", on November 12th.

Over 100 business executives attended to learn about the latest developments on key issues affecting the construction industry in general and the field of real estate in Cyprus.

Among the topics presented were the following:

- Forecasts for the sector in 2014 and 2015.
- The Opportunities and Prospects of Land Development Companies.
- The problem and the solutions to the financing and management of the debt of companies land development and building construction.
- The importance of real estate in Cyprus as an investment option.
- Transactions in land development.
- Disposals Estate: Myths and Realities.
- Property Evaluation: The new world order.

Quality Conference 2012

During the European Quality Week, the Cyprus Association for Quality organised for the third consecutive year the Quality Conference featuring the topic "Quality: Response to Economic Crisis" which took place on November 14th. The conference was organised within the framework of the continuous effort to upgrade services offered to members of the Association and of society in general.

The aim of the Conference was the broader disclosure on recent management systems and best practices and the benefits that a business / organization can draw in order to survive in times of economic crisis like the one we currently facing.

Joint OEB - CCCI event

The nationwide joint event organised by OEB and the Cyprus Chamber of Commerce and Industry (CCCI) brought the members of the two organisations together on June 20th, representing the entire Cypriot community. The purpose of the meeting was to discuss the problems created by the global economic crisis in conjunction with the unprecedented Eurogroup decisions on the economy. The common findings were the following:

- The continuation of restrictive financial transaction measures in the banking sector combined with the current economic crisis led to hundreds of businesses closing down.

- The majority of SMEs are unable to meet their financial obligations to the state, their partners and their staff.
- The dramatic increase in unemployment posing a threat to social cohesion.

The meeting adopted a joint resolution which requested, among others, the following:

- Close cooperation between the Central Bank and the Government is recommended for immediate definitive consolidation and stabilization of the banking system and lifting of all restrictive measures.
- Government and Central Bank to demand that the European Central Bank provides the emergency liquidity (ELA) required to support our banking system.
- To examine ways of providing additional liquidity to the market with simultaneous reduction of interest rates, including loan restructuring where required.
