



ANNUAL REPORT FOR 2011

EXECUTIVE SUMMARY

OEB PURCHASES NEW PREMISES

Privately-owned premises is historic first for OEB

After an active presence of 51 years, OEB moved into privately-owned offices before the end of 2011. OEB's Tower is situated at an upmarket area at the corner of Acropolis Avenue and Glafkou Street, Strovolos, Nicosia. OEB ensured that its post office box, telephone numbers and fax plus e-mail of the Secretariat did not change so as not to disrupt the work process. OEB's move was completed on November 7, 2011 - the first day of operations at the new premises. It was a "lifetime dream" for OEB to acquire its own building.

OEB IN EUROPE

OEB officials attended specialised seminars and conferences, both in Cyprus and in Europe during 2011. OEB was also present and active at EU decision-making centres on issues of relevance to enterprises and employers. It was particularly active in EU bodies such as the European Economic and Social Committee, the board of the European Foundation for the Improvement of Living and Working Conditions, the European Committee on Social Dialogue, CEDEFOP (the EU body responsible for training) and other committees. OEB also took part in selected European programmes and specialised advisory groups of the European Commission.

The **European Economic and Social Committee** is the most important advisory body in the EU. The committee is made up of three groups - employers, employees and various interest groups. Cyprus is represented with six delegates, two for each group, one of whom is the assistant director general of OEB Michalis Antoniou. The main issues discussed in 2011 included the Green Bible on pensions, consequences of the crisis: distribution of labour among productive sectors, exit strategy from the EU crisis, demographic development and labour market, European platform against poverty and social exclusion as well as protection of personal data.

The European Commission has made a **Week for Small and Medium Sized Enterprises (SMEs) of Europe** an annual event. Two events were held in Cyprus with the participation of some 200 SMEs. The main one, in October, was called "Finance Opportunities and Business Support Measures". The second event was called "OpenDays 2011". The national group of Cyprus is made up of the assistant director general of OEB Costas Christofides, who was appointed by the EU to represent local enterprises and an officer of the Institute of Research Promotion. By participating, OEB aims to underline the importance of SMEs and to support entrepreneurship among the youth.

THE ECONOMY

The world financial crisis continued to have a negative impact on the economy, resulting in economic growth of 0,5% in 2011, compared to growth of 1,1% in real terms in 2010. This was primarily due to the negative growth rate in secondary sectors of the economy (Construction, Industry, Electricity).

Inflation was up, with the consumer price index at 3,5% compared to 2,6% in 2010, primarily due to the rise in the cost of electricity, fuel and heating oil.

The unsatisfactory performance of the economy is also reflected in the labour market, with unemployment rising to 7,5% of the economically active population (a record for post-invasion Cyprus), up from 6,2% in 2010.

The biggest increases were registered in commerce, construction and tourism. The average number of registered unemployed in 2011 rose to 28,276 from 22,842 in 2010 – an increase of 23,8%.

The **fiscal deficit** in 2011 was 6% of GDP compared to 4,9% in 2010. Public revenue rose by 2% over the previous year to €6.589m while public expenditure rose by 5% to €7.674m. The **public debt** (excluding inter-governmental) is projected to rise to around 65,5% in 2011, compared to 61,5% in 2010.

The current account deficit declined to 9% of GDP from 9,9% in 2010 because of increased income from tourism as well as a reduction in local demand. The export of goods to EU member states rose 27,8% to €900,5m from €708.5m in 2010. The export of goods to third countries also rose by 16,8% to €500,5m from €428,3m in 2010.

The Cyprus Stock Exchange (CSE) ended the year with losses of nearly 72%. The all-share index fell to 295 points from 1,055.2 in 2010.

During 2011, OEB sounded the alarm over the need for the government to take substantial measures to put the economy back on the track of recovery. On the issue of consolidation of public finances and the economy more generally, OEB met representatives of the International Monetary Fund (IMF) to whom it submitted its proposals for a speedy exit from the economic crisis.

The international economic crisis and its consequences still affect Cyprus which hasn't tackled its public deficit problems yet and suffers deeply from the crisis in Greece and the Eurozone in general. Throughout 2011, OEB closely monitored developments internationally and in Cyprus and took a series of initiatives. OEB proposed the immediate implementation of structural reforms in the public sector to help the economy and restore the confidence of international markets. OEB's position on government efforts to increase state revenue (eg. VAT) is that it can be justified only if twice as much savings are recorded through the implementation of structural reforms but without development budgets getting affected. Private business activity should also get a boost through substantial incentives.

On public finances, OEB proposed the complete freezing of wages and COLA in the wider public sector for at least three years. Also, the complete abolition of tax-free allowances and other benefits of public servants, measures to increase productivity in the public sector and the decrease of administrative burden on private companies, turning semi-governmental organizations into private legal companies that will eventually become private. And the joining of "Technical Services" in various ministries under the umbrella of the Communications and Works Ministry.

On business activity, OEB continued to stress that entrepreneurship is the means to economic growth and the government should fully support it. OEB's position is that 'mature projects' which are now blocked in the bureaucratic state machine should immediately get implementation licenses. Also, public projects that cannot be implemented due to lack of finances should be promoted through a Public-Private-Partnership. And the immediate introduction of the system of a five-year pay-off basic incentive for new investments, the speeding up of a study by KPMG on the setting up of a one-stop-shop, and special incentives in promising development sectors of the economy.

Through its participation in a special steering committee which operates under the auspices of the Finance Ministry, OEB continued efforts to **reduce the administrative burden of the civil service**. A completed study by independent consultants to cut the economic burden on companies was completed and a pilot implementation began at eight services and recorded positive results. Towards the end of 2011, a presentation of the results and problems created took place showing that there is quite a big room for improvement in reducing the administrative burden on companies. OEB monitors this closely and believes that reduced bureaucracy and increased productivity will benefit the economy substantially.

There were 32 entries from all economic sectors for the fifth **Cyprus Innovation Award Competition** which ended in December 2010. Four prizes were awarded for the most successful implementation of innovative

methods in Cyprus. These were awarded in September 2011 to Peletiko Penta Ltd (primary sector), Papaphilipou Ice cream and Patisserie Panayiotis (manufacturing), C.B.B. Lifeline Biotech (services) and National Audit Office (wider public sector).

OEB's pioneering programme "**Epiheirin Praxi**" which was launched to offer SMEs targeted programmes focusing on specific practical work depending on each company's needs, attracted almost 60 registered members before the end of 2011.

To **promote commercial and business cooperation** OEB took a number of steps in 2011. These included accompanying ministers to various countries in a bid to promote Cyprus as a Business Centre, and promoted the development of cooperation of member Associations with corresponding ones of other countries. OEB also assisted members participating in trade fairs abroad, and organised the seventh Savenergy and the fourth Envirotech Water Tech Exhibition as well as briefed members on various grants announced by the state.

OEB took part in all the meetings of the **Consultative Committee on Consumer Issues** which dealt - among other - with the operation of the Competition Protection Committee, market costs for additional pollution emission rights for consumers and measures to control or decrease interest rates.

MARI EXPLOSION

After the Mari tragic events on July 11, 2011, which have cost the lives of a number of Cypriots, OEB got active enough in alleviating the damage done to business. The destruction of the power plant of the Cyprus Electricity Authority that prompted frequent, long-lasting electricity cuts had very negative effects on businesses and the economy in general.

OEB adopted proposals by the Federation's Energy Committee to confront the energy crisis which was set to burden the country for at least a year.

Also, OEB's Board and the EAC set up a contact group to inspect on a daily basis problems caused by the interruption of power supply. As a result, OEB managed to secure the uninterrupted supply of electricity at hotels and "sensitive" industrial units.

ENERGY COMMITTEE

Following the important developments in energy issues in 2011, such as the exploration of hydrocarbons within the Exclusive Economic Zone of Cyprus, the tragic accident of July 11 at Vassiliko power station and investment in huge projects of renewable energy, OEB decided to set up an Energy Committee. The goal of the Committee is to provide consulting services to the Executive Committee on wider energy issues.

Proposals submitted include: the immediate reconstruction of the damaged Vassiliko power plant and speeding of procedures for the use of national gas, provision of state incentives for the promotion of energy savings as well as the re-launching of the Energy Savings Grant Scheme. Also, the speeding up and simplification of procedures for the setting up of already-licensed applications for the installment of photovoltaic systems.

SERVICES SECTOR

The wider services sector, together with financial services grew in 2011. OEB's participation in the Union of Industrialists and Employers Federations of Europe (BUSINESSEUROPE) and the Union of Mediterranean Confederation of Enterprises (UMCE-BUSINESSMED) contributes to promoting Cyprus as an international and regional services centre.

Tourist arrivals in 2011 rose by 10,1% to 2,392m from 2,173 in 2010, primarily due to increased arrivals from the UK (42,7% of the total, from 996, 000 in 2010 to 1,021 million in 2011) and Russia (from 224,000 in 2010 to 334,000 in 2011). Revenue from tourism rose by €1.749,3m to €1.549,8m in 2010, or by 12,9%.

OEB held contacts with the government, political parties and the Cyprus Tourism Organisation and called for the speedy implementation of measures to boost tourism as defined in CTO's strategic plan.

OEB also took part in the committee operating under the Cyprus Tourism Organisation to promote **medical tourism**. OEB's participation is important since it is the only business organisation representing private medical centers.

THE MANUFACTURING SECTOR

The sector shrank again this year by -3% compared to -1,6% in 2010. Its contribution to GDP was 5,6% compared to 5,8% in 2010. OEB attaches considerable importance to manufacturing as it believes that a healthy Manufacturing Sector is essential for economic growth. Maintaining a high level of competitiveness is essential, and this is what OEB considers a key priority. During 2011 OEB took a series of actions to help the sector, including lobbying for state support, curbing unemployment and curbing the operating costs of industry, particularly the cost of water, electricity, municipal levies and rents in industrial zones. Important for OEB is the continued participation of Cypriot companies in specialized exhibitions abroad, as well as the exploration of new markets.

THE AGRICULTURAL SECTOR

The sector was on the rise in 2011, with a growth rate of 2,9% to 1,4% in 2010 and its contribution to GDP remained approximately the same with 2010's , that is 2,2%. Agricultural exports rose by some €26,6m and reaching €109,8m compared to €86,2m in 2010.

OTHER ACTIVITIES ON ECONOMIC ISSUES

Within the framework of promoting the best interests of its members, OEB offered many other services to a significant number of companies through its active participation in joint state committees that dealt with crucial issues. OEB officials also played a decisive role in the smooth and constructive operation of professional associations, took part in media debates, briefed OEB members on how to best capitalise on national and EU schemes for enterprises and organized business missions abroad.

LABOUR ISSUES AND SOCIAL POLICY

The world economic crisis continued to take its toll on the Cyprus economy, and to a large extent determined developments in employment and social policy. With unemployment rising dramatically and public finances (fiscal deficit and public debt) overshooting the convergence criteria of the Stability and Development Pact, OEB adapted its strategy, aiming for the speediest possible exit from the crisis. It paid special emphasis on the renewal of collective agreements at a sustainable cost for companies, cutting unemployment and promoting measures to deal with structural problems facing the economy, with special emphasis on the public service and state pay roll.

Negotiations for the renewal of **collective agreements** involved a large number of individual companies and seven significant sectors. By the end of 2010 the following collective agreements expired: Construction Developers, Mosaic and Marble, Furniture and Wood works, Newspaper publishers (editorial staff), oil companies, Bank and Ship owners.

Negotiations were affected by the world credit crunch and the recession. The year ended with overall growth rate at 0,5% and unemployment at 7,7%. It was marked by the tragic events at Mari and the problems caused by the successive power cuts, the downgrade in the credit rating of Cyprus by international firms and the tragic developments in the Greek economy which affect Cyprus in many ways. Negotiations were held under great pressure on the viability of many companies in nearly all economic sectors and were affected by the reappearance of inflationary pressure. Nominal pay rises on total wages because of Cola in January and July 2011 was 2.64%.

Trade unions restricted final demands even though their initial ones did not take into consideration the continued crisis. Most collective agreements were not renewed and still negotiated in the early months of 2012. Industrial peace was not affected due to a failure to renew collective agreements.

Demands in most cases involved two year agreements and had a mean annual cost ranging over 2,5%. Companies that have pay scales have an additional cost of some 3%. Cola rose by 2,64% on total pay or 10,6% on basic pay.

An important development was the collective agreement for ship owners which was signed for three years (2011-2013) with an average annual cost of 0.5%.

Under an agreed proposal by the Ministry of Labour and Social Insurance, the collective agreement of Newspaper Publishers was renewed for Editorial staff with a total increase of only 0,5% for three years (2011-2013).

Towards the end of 2011, OEB took an initiative to sustain labour costs in a bid to protect the viability of companies after bearing in mind the financial difficulties of a plethora of business and that unemployment was record high. Specifically, OEB invited the leadership of SEK and PEO unions and presented them a very balanced list of proposals aiming for a temporary special island-wide agreement. The two unions turned down the proposals.

Even though the number of **strikes** in 2011 was small, it - nonetheless - tripled that in 2010.

The most important was that they were called by primarily unions of the public or semi-governmental sector with that of PASIDY (public servants union) standing out. It aimed at preventing the smooth operation of the House of Representatives which was in session at the time to vote in favour of a package of measures to save the economy.

From the beginning of the world economic crisis at the end of 2008, trade unions primarily but also the Labour Ministry intensified efforts to restrict **work permits for third country nationals**. This pressure was in line with the rise in unemployment, under the mistaken logic that each vacated place by a foreigner will be filled by a Cypriot unemployed person.

OEB stressed this was a mistaken approach since most third country nationals are employed in posts that Cypriots and other EU nationals are not interested in filling, adding that not renewing or cancelling permits would only hurt companies and endanger other jobs.

Only a small percentage of third country nationals work in productive sectors and have a minimal impact on the job market. At every opportunity OEB has stressed the need to combat illegal employment.

UNEMPLOYMENT

From the very early signs of the economic crisis, OEB had tabled proposals to combat unemployment while focusing on efforts to create conditions for development. The very high level of unemployment, at 7,7% by the end of 2011 compared to 6,5% in 2010, burdens further the prevailing bleak situation. Especially if this is

combined with a decreased labour rate and a zero profit recorded by SMEs which are the backbone of the island's economy.

Resolution of labour disputes at essential services comes under the non-legally binding agreement of 2004 which was the initiative of OEB and the unions of PEO, SEK and PASIDY. Unfortunately, the frivolous way with which PASIDY, the air controllers union and the crane-drivers at ports went ahead with strikes, paralyzing the country's economy, repeals the pre-condition for the settling of the dispute voluntarily.

OEB plans to push forward legislation within 2012 that will guarantee the protection of society and economy from provocative actions without abolishing the right to strike.

After OEB's strong pressure, the House of Representatives took action towards controlling public deficit and curbing the **state pay roll**, and voted for the freezing of wages over the two-year period of 2012-2013. Also, the House voted in the cutting of the monthly pension percentage gain of employees till the date of their retirement/resignation. Specifically, civil servants now contribute 3% towards their pension. The average pension of a civil servant is three times that of an employee in the private sector, even though the civil servant had contributed half of what his counterpart in the private sector contributed towards his pension. OEB also called for the gradual increase in the retirement age to 65, abolition of the permanency status of public servants and the implementation of an effective assessment plan linking performance with earnings. As well as for the complete restructuring of Cola. Another proposal tabled was for the thousands of teachers to be utilized over the summer months, and for the review of the policy as regards the immediate appointment of graduates of military schools at the National Guard.

On **the labour relations system**, trade unions submitted - about six years ago - a proposal for collective agreements to be regulated by law because of the change in the demographic make-up of the workforce (EU citizens). OEB strongly objected to this, arguing that this would dramatically change a well tested system of labour relations which has served Cyprus for countless years. The trade union proposal was amended to a demand for legally guaranteed procedures that will ensure free expression by employees for a collective representation by a union. With the completion of the work of the Technical Committee within 2011, OEB's main objections are focused on: The size of companies where the law's provisions will be applied, the high monetary fines and the employers' obligation for collective negotiations to be activated only if the absolute majority of employees of a company votes in favour of a specific alterantive.

The main issues discussed at the **Labour Advisory Council** in 2011 included the bill on Recognition of a Labour union, amendments to the Social Insurance Law, to the law annual paid leave, employment rules at hotels, the law on safety and health at work, protection of young people in employment, Safety and Health at work.

The main developments as regards the **Social Insurance Fund** was the drafting and tabling of the bill on combating undeclared labour. The bill is about the submission of a confirmation by an employer of a newly-hired worker.

The number of applications tabled before the **Redundancy Fund** in 2011 rose to 7419. The number of redundancies has increased substantially since 2008 when the economic crisis began to also affect the Cyprus economy and companies. Specifically, redundancy numbers between 2008-2011 were: 2576 in 2008, 5176 in 2009, 5409 in 2010, 7419 in 2011.

As part of the government's decision to bring the **minimum wage** to 50% of the median national wage, minimum wage for clerks, shop assistants, nurses, teachers aids, nursery and kindergarten teachers was raised by a decree on 1/4/2011 to €855 from €835 and to €909 from €887 after six months of employment at the same employer. For guards the hourly wage was raised from €4,70 to €4,81 on appointment and from €5,00 to €5,12 after six months employment. The Council of Ministers decided to include cleaners of buildings within the decree of hourly rather than monthly wage basis from 1/4/2011 with earnings from €791 monthly to €4,48 on appointment and €4,81 after six months appointment.

OEB considers the Labour Ministry's decisions on opening hours of shops in tourist areas and on minimum wages as detrimental for **retail trade**. Rather than creating the preconditions to revive the market, these restrict commerce and discourage new investments. With the start of the tourist season, OEB asked for the whole of Cyprus to be declared a tourist area to allow longer shopping hours, but the calls were not heard. To the immense disappointment of shopkeepers, the Labour Ministry has also raised minimum wage to €909 for shop assistants at a time where salaries are either being frozen or even cut.

On **health and safety in the workplace**, OEB focused on briefing its members on the implementation of the *acquis communautaire*. In view of the complexity of the obligations the law imposes on employers, OEB has set up a special service to help companies.

OEB is active in promoting the participation of women in the work place and the economy in general as part of its commitment to equality of the sexes. Within this framework it cooperated with KOYEE (Cyprus Federation of Business and Professional Women) on an in-depth study on women in the labour market that was launched in November 2010 and completed in the first quarter of 2011. The findings were presented in detail at a press conference and also sent to relevant government ministries.

OEB continued to offer services to its members throughout 2011, including significant help in securing work permits for foreign workers, answering queries and providing information on issues such as the implementation of labour legislation. OEB also focused on dealing with the consequences of the economic crisis, flexible methods of employment, equality of the sexes in the workplace and protection of the more vulnerable social groups. OEB officials put forward OEB's views in numerous radio and TV discussions and at House committees and promoted health and safety in the workplace.

MANAGEMENT AND TRAINING

Training, particularly on modern management and human resources, are an integral aspect of OEB's constant efforts to support the growth of local companies. The **Human Resources Development Authority** was particularly supportive of this effort. More than 800 managers from the private and public sector took part in a series of training programmes on issues such as management, saving energy, renewable sources of energy, labour laws and health and safety in the workplace. Other programmes focused on modern management and labor relations at work, designing and implementing strategies for business excellence, contracts, quality controls, IT and first aid. OEB's Department on Management Development has been certified with the EN ISO 9001:2008 for training and education.

STUDIES AND STRATEGIC PLANNING

As part of continued efforts to boost competitiveness, OEB promoted implementation of the "**Investors in People**" model which allows companies to set appropriate and measurable objectives for effective investment in their human resources. Up until the end of 2011, certified organizations in Cyprus were: Deloitte Limited (Cyprus) - **Gold Distinction**, PricewaterhouseCoopers (Cyprus) - **Silver distinction**, Four Seasons Hotel Cyprus, Bank of Cyprus Public Company Ltd, European University Cyprus (Administration Department), O.G. Chakarian Ltd, C.A. Papaellinas Ltd, CTC Automotive Ltd and Nicosia University (Administration Department).

Studies on human resources have looked at the effectiveness of existing management and human resources methods and formulated practical solutions, **restructuring studies** focused on the prospect of new technology and systems while **staff opinion surveys** sought to register and analyse the views of personnel to determine their satisfaction with existing human resources management practices and come up with proposals. **Training programmes on first aid** were held to help inform companies of their obligations under the law. **Short term projects** were held on issues ranging from consultancy services on human resources and brainstorming sessions to finding innovative practices.

INTERNATIONAL ACTIVITIES

OEB took part in the **annual meeting of the ILO**, held in Geneva on June 1-7, the focus of which was Decent Work for Domestic Workers. Other issues discussed were Management of labour issues and Inspection of labour places. OEB has been representing Cypriot employers at the ILO since 1960 when Cyprus became a member.

OEB continued to promote the best interests of employers before the **International Organisation of Employers**. The Director General of OEB is a member of the Organisation's council which in 2011 also discussed its contribution to business development, labour relations and EU social responsibility.

OEB also represents Cypriot employers in **BUSINESSEUROPE**, which brings together 40 members from 34 countries. Issues discussed in 2011 included Europe's energy policy and climate change and labour and social issues, particularly as regards working hours.

In June 2011, OEB hosted the **Conference of Directors of European Industrial Federations - CDEIF**, participants of which are directors of members of BUSINESSEUROPE, the pan-European organisation of employers. OEB is also a member.

OEB took part in the **Trilateral Social Summit for Development and Employment** in Brussels in the second half of 2011. OEB's Director General Michael Pilikos analysed the federation's positions on development and employment at a European level. His intervention focused on the need for the protection of the united European currency, the importance of reduced bureaucracy and lifting of restrictions on employment.

OEB was also a key-note speaker at the International Conference of the International Labour Organisation (ILO) on Women in Business. The Conference, called "Employers Organizations & Women in Business" took part in November 23-25 at Turin, Italy.

OTHER ISSUES

The Cyprus Management Development Association (CMDA) carried out a number of educational seminars on management, marketing, sales, retailing, human resources and operation management as well as training workshops. It implemented a total of eight open educational programs in 2011. More than 70 businessmen and senior bank officials took part in the 4th Banking Forum in Nicosia which focused on the role of information Technology in the business transformation of banks. The key speaker was former finance minister Michalis Sarris. More than 200 prominent people from the business and political world attended the first award ceremony of the Marketing Excellence Awards 2010 organized jointly by the CMDA, the Cyprus Institute of Marketing and OEB with the support of the Ministry of Commerce, Industry and Tourism. The awards covered the category of Product/Market Development (Evreka Ltd), Service/Market Development (Marfin Laiki Bank Ltd), Integrated Marketing Communications (KEAN SOFT DRINKS Ltd and honorary distinction to KEO) and Ethical Marketing (Limassol Co-op). A complimentary special award went to Radiomarathon Foundation and Marfin Laiki Bank for their contribution to this institution.

The first **Fiduciary Conference** was organised by OEB, CMDA and Infoscreen (Cyprus) Ltd on June 16, 2011 aiming to promote Cyprus as a regional centre for services.

The presentation of **MANAGEMENTDIRECT** - an electronic portal which informs, trains and promotes the implementation of modern principles and technical methods of management - took place at the initiative of CMDA. More information on www.keade.org.cy.

CONFERENCES/SEMINARS

Held in April 27, OEB's fifth **Economic Conference** "Cyprus economy: The role of the state and private sector in its recovery" was very successful, with over 300 prominent people from the political and business world of Cyprus attending and taking an active part.

The **seventh Land and Building Development Conference** was held in September with the participation of more than 150 company executives and focused on the present and future of the building industry. Topics discussed included emerging trends in real estate, From Russia with love: The Russian overseas property market, Technical due diligence and Dispute resolution in real estate.

The Cyprus Quality Association, a member of OEB, staged a "**Quality Seminar**" in November focusing on "We need quality, yesterday".

Members of the Association of Renewable Energy Enterprises and officials from organizations dealing with **renewable sources of energy** in Cyprus flew to Athens for the international conference on 'Solar Energy - Concentrating Solar Power'.

A one-day conference organized by the Cyprus Quality Association focused on the presentation of a scientific survey on Development of a Real Time Quality Support System for the Houses Construction Industry.

SURVEYS

Between July 6-13, OEB carried out a survey on the percentage decrease of the work cycle of business and the reduced number of staff. If the survey was carried out after the explosion at Mari on July 11, the results would have been even bleaker.

After the tragic Mari events, the Cyprus Association of Renewable Energy Companies commissioned Deloitte to carry out a study evaluating the rate at which the state should subsidise photovoltaic systems. The study was sent to the ministerial committee dealing with renewable energy and other sources of energy.

EXHIBITIONS

The 7th **Save Energy Exhibition SAVENERGY 2011 and the 4th Water and Environment Technology Exhibition Envirotec 2011** were held in March with great success with almost all exhibitors saying they were very satisfied and would definitely take part in the 2012 event. The fairs attracted some 20,000 visitors. SAVENERGY 2011 was staged by OEB in cooperation with the Ministry of Commerce, Industry and Tourism and the Electricity Authority of Cyprus and showcased new technology services and products on renewable energy as well as ways to save energy. Envirotec 2011 was organized by OEB in cooperation with the Ministry of Agriculture, Natural Resources and the Environment and aimed to brief consumers and productive classes on ways to save water and protect the environment.

Two **Save Energy Prizes** were awarded again this year, one for commercial and one for non-commercial recipients. The first went to Caramontani Desalination Plant Ltd and the second to Natasa Kotrofou from Strovolos, Nicosia. Moreover, Amathus Plc got a distinction for investing in a geothermal system at Amathus Hotel in Limassol.

The **Solar Energy Union (EVIEK)** took part in the save energy fair GENERA 2011 in Spain.

NEW PUBLICATIONS

On the occasion of the take-over of the trio presidency of the Council of the EU by Poland, Denmark and Cyprus, OEB - in cooperation with counterpart organizations in the other two countries - issued the "**Reform Growth in the EU - Trio Business recommendation**". The publication is in English.

ANNUAL GENERAL MEETING 2011

The 50th AGM was held on May 11, 2011 in Nicosia. OEB's Chairman Filios Zachariades analysed the Federation's activities in 2010 particularly as regards the world economic crisis, developments in the economy, labour issues as well as the main trends in industry. Also highlighted were OEB's actions to promote the Services Sector and management.

PROFESSIONAL/SECTORAL ASSOCIATIONS

OEB's professional Associations were active in promoting the interests of their members during 2011 through the organization of a series of educational and information events, participation in committees and coordination with other OEB departments. One new association joined OEB in 2011 – the Association of Producers of Advertising Films.