

Researched and written by Marios Tsokkos

www.mercuryglobalreports.com

Cyprus and Israel are more than just neighbors

Diplomatic relations between Cyprus and Israel were established in 1960, right after the independence of Cyprus. "As young, democratic neighbouring states in a troubled region, our relations were cordial for many years" said Mr. Nicos Christodoulides, Minister of Foreign Affairs of Cyprus. "During the past few years, however, our bilateral relationship has evolved to such an extent that I am pleased to say that we nowadays consider Israel to be one of our closest strategic partners."



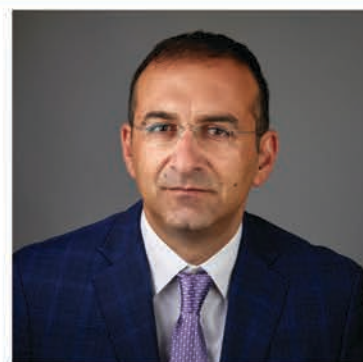
Mr. Nicos Christodoulides,
Minister of Foreign Affairs of Cyprus

In addition, "We are experiencing a positive shift in our relations, exploring shared interests, identifying opportunities and embarking on joint projects in the fields of energy, hospitality and tourism, technology, healthcare and finance" said Mr. George Campanellas, CEO of Invest Cyprus.

Regarding the Covid-19 pandemic, both countries have so far managed the Covid-19 pandemic quite effectively and we hope that we shall be ready to resume business within 2021. Cyprus has adopted strict measures of containment at an early stage, in an effort to safeguard public health and at the same time adopted a generous and comprehensive fiscal package to support businesses and to mitigate

the impact on employment. The economic outlook, following an unavoidable contraction of 5.1% of GDP in 2020, is optimistic with a projected growth of around 3.5% in 2021. "As part of a package of incentives to promote our country's economic recovery, investors are able to enjoy a favourable investment environment and a Fast Track Business Activation Mechanism for setting-up a business in Cyprus by third-country nationals, in place since September 2020" explained Christodoulides.

The proximity and strong political and economic ties are making Cyprus one of Israel's most promising strategic partners. "For Israeli companies, Cyprus is an ideal location within EU for expanding their operations. At Invest Cyprus, the state's investment authority, we act as a First Point of Contact and provide tailored investor facilitation" said Campanellas.



Mr. George Campanellas,
CEO of Invest Cyprus

investor facilitation" said Campanellas.

"I would like to re-iterate here that our relations with Israel are solid and it is a priority to develop them even further. Geography is of course destiny, but

Cyprus and Israel are more than just neighbors; our strong cooperation, both bilaterally or within a regional context, is based on common values and on a shared vision for a stable and secure region, based on a positive and inclusive agenda. In this sense, our relation is of strategic importance, and on this basis we shall continue to work hard to develop it further" explained Christodoulides.

<https://mfa.gov.cy>
www.investcyprus.org.cy

Scan here to read the full interviews:



Technology, Innovation and Research: Reimagining Cyprus

CYPRUS: a growing hub within the EU for international ICT companies

Already home to several international tech companies, lately Cyprus has made massive steps forward to secure its future as both an established international business centre and an emerging EU tech hub. Several major international ICT companies currently have their regional headquarters or significant operations in Cyprus. The Cyprus Tech Association, representing all international ICT companies established in the Republic, leads the way for the development and expansion of the industry.

- Benefits for tech companies include:
- New Relocation & immigration Incentives for Tech Companies
 - Incentivizing Entrepreneurs
 - Corporate taxation
 - Personal taxation
 - Ease of Doing business in Cyprus
 - Access to global tech-savvy talent
 - Attractive Intellectual Property (IP) regime
 - Quality living & working in Cyprus



Nicosia: Europe's upcoming entrepreneurship and innovation hub

The Municipality of Nicosia aims to transform the city centre and the area within the walls into a cutting-edge district of knowledge, research, innovation and entrepreneurship as various projects have been implemented or are underway that will stimulate the economic growth in the area. "Our municipality has incorporated research, innovation and entrepreneurship in its Integrated Urban Sustainable Strategy since 2015 with a plethora of actions in different directions" said Mr. Constantinos Yiorkadjis, the Mayor of Nicosia. "The combination of these actions result in an impact bigger than the sum of the parts."

The Municipality is setting up the Creative Industries Quarter, an Information and Training Center for Enhancing Employment and Entrepreneurship, it supports businesses adjacent to the Green Line, is leading the establishment of CYENS - an ICT Centre of Excellence in Research and Innovation - and last but not least is evolving Nicosia into a smart city, aiming to the green and digital transitions. "Nicosia's Quarter of Creative Industries will host

Creative and Cultural entrepreneurship initiatives and avail them the Business cluster opportunities in close proximity and collaboration with the CYENS Center of Excellence (CoE)" explained Yiorkadjis.



Nicosia, Cyprus' capital, aspires to become an innovation and entrepreneurship hub, linking east to west

Nicosia wants to collaborate and develop strong relationships with Israel. Discussions have started amongst different parties regarding mainly innovation, entrepreneurship and smart city activities. Still these are variable efforts in different fronts. "Through the Deputy Ministry of Research and Innovation we had the privilege to participate in different trainings in such areas offered to Cypriot stakeholders. Through CYENS, this collaboration is extending in research and innovation at a more familiar level with academics, universities, and Israeli companies" said Yiorkadjis. "We want to enhance this cooperation in a way that is mutually beneficial for both Nicosia and Israel."

Indeed, Nicosia can be a close and attractive European Destination that can host

startups and companies from Israel. Such



Mr. Constantinos Yiorkadjis,
Mayor of Nicosia

collaboration will reinforce synergies between the Startup Nation and Nicosia, and at the same time provide multiple

benefits for Cyprus and Israel at large. "We want to collaborate with Israel, Israeli Innovation Centres and Israeli innovative startups and SMEs. The partnerships we develop and the stakeholders we engage with, will enable the city to benefit from the knowledge produced and systematically reconfigure its role and actions with a global approach towards challenges, competitiveness and sustainable urban development. Our partners will have a safe friendly, hospitable and dynamic host in Nicosia. We have a lot to learn by working together; we will be able to complement our knowledge and actions, and enhance progress and growth for all" Yiorkadjis concluded.

<https://www.cyens.org.cy>
www.nicosia.org.cy/en-GB/home/

Cytaglobal: A telecommunication's crossroad for three continents

Cytaglobal is a strategic business unit of Cyta - the leading telecommunications provider in Cyprus. It manages Cyta's International Wholesale Market activities and is particularly active in the area of international subsea fibre optic cables, providing wholesale products and services on a global basis. The company has developed over the years an extensive subsea fibre optic cable network, which connects Cyprus with Western Europe (France, Italy and Greece) and with its neighboring countries (Israel, Syria, Lebanon and Egypt), and thereafter with the rest of the world. Cytaglobal also operates an extensive satellite network with three teleport sites, providing connectivity with the major commercial satellite systems. "Our product portfolio includes high quality end-to-end solutions, designed to satisfy the business needs of corporate customers for global data connectivity", explained Mr. Costas Psillides, Manager of Cytaglobal. Cytaglobal maintains long-lasting cooperation with major Israeli telecom providers and other companies, for the provision of international connectivity services,



Mr. Costas Psillides,
Manager of Cytaglobal

leased lines, etc. and there are further planned projects ahead. "We have recently signed a deal to participate in the new PEACE subsea cable system, which connects Asia, Africa and Europe - which will be operable in the beginning of 2022 - increasing significantly the available network capacity and resilience", mentioned Psillides. Cytaglobal can effectively serve the demands of the

OTTs and other hyperscalers (big data movers) for protected/ diversified routes to Europe and beyond, and can provide competitive data center and cloud services to Israel, and other countries in the Middle East and the Mediterranean region. "Considering the Israeli technological progress and innovation, we are keen to embrace a closer cooperation with Israel's telecom and ICT sector", he said. Despite the pandemic, Cyta continued its consistent growth in 2020, a remarkable success considering the prevailing conditions. "Cytaglobal will continue investing in strengthening Cyta's position in the area as a bridge of East-West, via upgrading existing infrastructure and building new subsea cable systems, participating in international and regional subsea cable projects in the Eastern Mediterranean, provisioning of data center and cloud services, and new innovative value added services", Psillides concluded.

www.cytaglobal.com



A maritime nation acquired its own Marine and Maritime Institute for research, innovation, and commercialization

The Cyprus Marine and Maritime Institute (CMMI) is an independent, international, scientific and business centre engaging in



Mr. Zacharias Siokouros,
CEO of CMMI

marine and maritime research, technology development, and commercialization and has received startup funding from the EU and the government of Cyprus.

"The CMMI develops technologies, products, and services serving the re-

al-world needs of the global marine and maritime industries, and society" said Mr. Zacharias Siokouros, the CEO of CMMI. "It serves, Cyprus, the region, the EU, and beyond. Our expertise spans a wide range of sectors: digital systems (robotics, sensing, data, AI), marine technologies (energy, subsea resources, environmental modeling/mapping, bioresources, ecosystems), maritime technologies (materials, structures, vessel design and performance, ports, logistics) and socioeconomic issues (society, culture, tourism, training and education, safety, risk, regulation)" he explained.

CMMI service offering is wide and varied and the institute makes additional services available continuously. Examples of the current work include: marine observation networks, maritime 5G data and services, sensorisation of ships, maritime accelerator programmes, augmented reality systems, maritime data grooming utilizing AI, technology entrepreneurship training, coastal autonomous shipping, alternative maritime fuels and emissions reduction, scientific diving training, 3D printed intelligent underwater structures, ocean literacy programme for elementary schools,

and invasive species management.

Mr. Siokouros is aware of the great potential of partnering with Israel and invites startups, larger corporate entities, government agencies, academic or research entities and NGOs to reach out to CMMI for cooperation. "Even if we cannot help you ourselves, we might be able to direct you to those who could. We have a large, international network of partners (commercial, governmental, NGOs, academic and RTD organisations) capable of addressing most needs of blue economy stakeholders. Our Business Development Unit (BDU) and the Knowledge, Innovation, and Entrepreneurship Centre (KInEC - our knowledge and technology transfer office) are your points of initial contact to our world. Let's talk!" he concluded.

www.cmmi.blue
E-mail: BDU@cmmi.blue,
KINEC@cmmi.blue



AmaDema puts Cyprus on the world map of advanced composite materials

AmaDema, a High-Tech company specializing in the design and manufacturing of advanced composite materials, was established in November 2015, putting Cyprus on the world map of composites. Currently, AmaDema has developed a portfolio of patent-protected technologies with the aim to increase the performance of polymer composite applications. "We



Dr. Vassilis Drakonakis,
CEO of AmaDema

use nanotechnology to enable different material functions to address problems and needs of customers in a variety of industries such as aviation, defence, sports, automotive, shipping etc." explained Dr. Vassilis Drakonakis, the

CEO. AmaDema, having a successful 5-year start, has managed to establish an international network of customers within Cyprus, Israel, Asia, and Europe, including the European Space Agency.

NanoWeld® is AmaDema's spearhead technology. It integrates advanced nanofibers on technical fabrics (carbon, aramid, glass, etc.), which can subsequently be processed with any type of impregnation and fabrication into composite components. The resulting NanoWeld®-Fiber Reinforced Polymer (FRP) composites exhibit dramatically enhanced mechanical performance compared to standard FRPs. "Currently, NanoWeld® enhances the mechanical performance in structures such as: deployable supporting frames for satellite photovoltaics, payload carrier structures for satellite equipment, drone internal structures, electronic boxes, technical fabric sleeves, vehicle armoring, filtering for oil & gas industry, tapes etc." said Dr. Drakonakis.

The FRP technology is continuously growing with high growth rates among the innovation and startup environment

in Israel and AmaDema, with its expertise and scientific knowhow can work with Original Equipment Manufacturers (OEMs) and integrators to provide advanced composite materials and components as well as high quality design and analysis services for the development of composite components, in several fields and applications. "We already work with a major Israeli organization in the field of telecommunications, and we look for further collaborations in the above-mentioned fields" highlighted Dr. Drakonakis.

"AmaDema aims for reliability and is committed to achieving the highest level of quality to establish high-performing advanced material products in niche applications worldwide and maximize our customers' profits. We look forward to seeing you in Cyprus!" Dr. Drakonakis concluded.

<https://amdcomposites.com>



Redefining Cyprus' Corporate Services Sector

The Aspen Trust Group is one of the leading pioneers of the corporate service industry in Cyprus specializing in International Tax Management solutions for Corporates and HNWLs such as Headquartering, Family Office ser-



Ms. Marina Zevedeu, CEO of Aspen Trust Group

ices, IP registration, Banking and Tax compliance and management of entities globally. "We build long-term, trusted relationships with clients, aiming to add value to their businesses and be part of their success story" said Ms. Marina Zevedeu, CEO of the Group.

One of the many ways in which the Group helps its clients efficiently plan and manage their financials is through the setup and administering of Funds. "Our services include Initial Fund Advisory and Setup, licensing and reporting, bank and other administration, liaison with Investment Fund Managers and Custodian Banks as well as onboarding new Investors" highlighted Zevedeu. "Two decades of working in the corporate services industry have given us a huge tapestry of contacts, especially within the newly-founded Funds industry, with which we cooperate to ensure efficient Fund setup and growth." Cyprus is an attractive option to foreign investors setting up funds, as it is a strategic jurisdiction that gives them access to European markets.

Moreover, Fin-Tech companies are also very attracted to Cyprus because of its ideal Headquartering and IP benefits. "Cyprus has extremely beneficial incentives within its IP Box, while remaining fully compliant with OECD and EU regulations and ensuring full protection of the IP" explained Zevedeu, adding that the Cyprus IP Box Regime offers an 80% deduction of revenue earned from the use

of intangible assets, taxing the remainder at the corporate tax rate of 12.5%, while Cyprus-resident companies can see an effective tax rate as low as 2.5%. As for Headquartering opportunities, Fin-Tech startups and multinationals can meet substance requirements while enjoying the myriad of tax and other incentives that come with a Cyprus Holding Company. "Cyprus is constantly evolving to meet new market demands and make it easier for individuals to do business. For example, with the new Fast-Track Business Activation mechanism, companies can relocate to Cyprus faster than in almost any other country, as these new rules allow them to avoid unnecessary bureaucracy and delays in registration, visa-issuing and relocation permits."

Zevedeu was quick to point out the "unrealized" potential of Cyprus as an international film production destination, which is one of the government's major bets. "Being at the crossroads of three continents, its proximity to diverse cultures and scenery is unparalleled. Its stable sunny weather, internal short distances, and natural beauty make it perfect for filming" said Zevedeu. "Our team



www.aspentrust.com

can assist in the setup and management of the entity which will apply for the many financial incentives available in Cyprus for film-production companies, as well as prepare all necessary reports to qualify for them, after advising on the best option to meet unique financial needs" she added.

Zevedeu has been working closely with Israeli businesses and individuals for more than twenty years. As such, she has not only gained experience on the specific expectations and workings of the Israeli business world, but has developed a deep admiration of its steadfast, focused drive towards perfection and has herself adopted this mindset for the management of her Group. "Our Group's core values of honesty, shrewdness and constant drive towards progress are deeply congruent with those of Israel's business world and this is why so many Israeli corporations and individuals have remained loyal to our Group for many years."

Israel office gives Stelios Americanos & Co a cutting edge

Stelios Americanos & Co LLC is a full-services, highly innovative law firm with headquarters in Nicosia, Cyprus and with long and very active busi-



Mr. Len Judes, Partner at Stelios Americanos & Co LLC

ness presence in Athens and Tel-Aviv. It specializes in corporate, commercial and banking law, (focusing mainly on transboundary banking financing, joint ventures, mergers and acquisitions), corporate and commercial litigation, real estate, financial and investment regulatory compliance and blockchain legal advisory. The Firm enjoys an enviable reputation for its effectiveness, competency and innovative practices.

The Firm has had presence in Israel since 2010 and is unique in the sense that it has an Israeli partner who is resident in his home country, facilitating communication and business with Cyprus. "I have been working closely with our Founding Partner of the firm

Mr. Stelios Americanos, for about 17 years," said Mr. Len Judes, Partner and the Firm's representative in Israel. "I am an Israeli qualified Lawyer based in Tel Aviv with more than 26 years of experience in cross border transactions, mergers and acquisitions, investments, real estate and corporate matters."

Judes sees many similarities between Cypriot and Israeli cultures as well as common law fundamentals, but notes that language is key when it comes to doing business with Israelis. "Discussing with our clients in Hebrew is a huge advantage and the fact that I understand Israeli mentality, business acumen, local legal system and culture makes it perfectly natural for our firm" he highlighted. In addition, our firm being one of the leading Cypriot law firms, we are well positioned to render all professional services and we pride ourselves in going beyond the extra mile in order to assist clients with their business needs in Cyprus" Judes continued.

"We are recognized as a dynamic and innovative Firm and our Israel Desk is one such example of many. Where possible, we adjust our mindset to that of our clients and pride ourselves in thinking and acting 'outside of the box.'"

<https://americanoslaw.com>



Providing legal services to Israeli clients for over two decades

Tassos Papadopoulos & Associates LLC is a full-service law firm providing legal services in all areas of law. During its 50-year history the firm has witnessed Cyprus becoming an international hub with significant presence in global structures and transactions. "We have been advising and supporting several public, private and semi-governmental organisations involved in infrastructure or other major projects in Cyprus for many years now" said Mr. Nicos Papaefstathiou, the firm's Managing Partner.



Mr. Nikos Papaefstathiou, Managing Partner at Tassos Papadopoulos & Associates LLC

The firm's services and dealings with Israeli clients and counterparts have ranged from advice and support in construction law, building contracts, SPAs, public procurement, tender procedures, arbitration, corporate law matters, establishment of joint ventures, shareholder agreements,

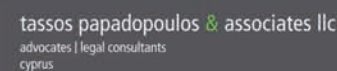
labour law and corporate immigration as

well as banking and finance in Cyprus. "We have the capability and expertise to assist clients and provide support in all areas of law, be it the establishment of their corporate entities and structures, banking, licensing and other matters of a regulatory nature, corporate immigration and employment matters, and of course all their contractual arrangements and relationships" he explained.

Tassos Papadopoulos & Associates LLC has been dealing with Israeli clients and counterparts for at least two decades, and Papaefstathiou believes that it is his firm's work ethics, knowledge, expertise and reliability that contributed in building this long lasting relationship with the neighboring country. "We have been

providing a wide array of legal services to Israeli clients establishing themselves in Cyprus, be it in their involvement in major projects in Cyprus, construction and development or business of a more commercial nature" he highlighted. "We strive to offer the highest possible level of service and are thrilled to take on new challenges in an ever changing and evolving global business environment. Cyprus may well serve as a springboard for Israeli companies to do business from and within the EU Single Market across a number of sectors including energy, tech and financial services".

www.tplaw.com.cy/home



Innovative and international legal services

With offices in Nicosia, Limassol, Moscow, Athens and Valletta and a team of 36 advocates and 70 in-house qualified professionals of related disciplines, Scordis, Papapetrou & Co LLC is one of

make it an attractive jurisdiction. Cyprus has one of the lowest corporation tax rates among EU member states and foreign sourced dividends are generally exempt from tax upon receipt by a Cyprus tax resident company. This coupled with the new government incentives to encourage foreign investment, is facilitating headquartering in sectors such as technology, asset management, investment funds, higher education, shipping and film industry. Cyprus's appeal as a convenient headquartering jurisdiction is gaining momentum, a notable example is the Israeli Fattal Hotel group, currently building its fifth Leonardo hotel in Cyprus.



Mr. Kyriacos Scordis, Managing Partner at Scordis, Papapetrou & Co LLC

Cyprus' leading international law firms. "Our litigation partners have appeared before courts and tribunals from New York to Siberia, and our corporate/commercial team have acted in multi-billion domestic and cross-border mergers, acquisitions and financing" explained the managing partner Mr. Kyriacos Scordis.

Working with clients from all over the world, Scordis is mostly impressed by the professionalism, dedication and drive of both the legal profession and the business world in Israel. "On the corporate side, our clients range from private individuals to an Israeli state-owned entity that is involved in a Cyprus-Israeli venture in desalination plants in Cyprus" he highlighted.

As an EU member state and Eurozone member, Cyprus provides a gateway to Europe for Israeli investors to access the European markets. The country's stable business environment and its advantageous EU-approved tax regime

Scordis, Papapetrou & Co has many contacts in Cyprus and a clear understanding of the business environment and needs of investors. "Our team is ready to deliver the most suitable tailor-made solutions to meet clients' goals and guide clients through the whole spectrum of their activities in Cyprus and to facilitate and make any relocation or setting up of a business in Cyprus an effective, efficient and successful process" said Scordis. "We are innovative and we have the capability, resources, willingness and a relentless commitment to advance our clients' business by providing solid solutions with loyalty and respect. If you require legal services by a highly competent team of lawyers, capable of thinking out of the box to provide high calibre legal services adapted to your needs, we would welcome the opportunity to cooperate with you."

www.scordispapapetrou.com



Building bridges between you and the Balkans

As a collection of emerging markets with a strong growth potential, the Balkan countries have firmly positioned themselves on the map of attractive investment locations.

Steadily growing numbers of foreign investors have expanded into Albania, Bosnia and Herzegovina, Croatia, Kosovo, North Macedonia, Montenegro, Serbia and Slovenia, drawn primarily by the region's favorable location, its affordable workforce and creative tax regimes.

Accounting & Compliance - International Tax & Transfer Pricing - Payroll & Employment - Advisory & Corporate
www.eurofast.eu, info@eurofast.eu

A boutique law firm for selective clients

Located in Nicosia Cyprus, Der Arakelian-Marheje LLC is a boutique Law Firm established in 1997 by Ms. Nairy Merheje to provide legal and tax planning services to a wide portfolio of international clients. Nairy has been practising law in Cyprus since 1984, particularly intensively in the Company, Commercial



Ms. Nairy Merheje, Founder of Der Arakelian-Marheje LLC - Advocate

and International Business enterprises fields. "We pride ourselves in offering efficient, professional and personalized services with bespoke international structured planning adapted to the needs of each individual client" she said. "Our aim is to relieve our clients of the time consuming searches involved in setting up a business in a multi-national environment. To this end we have a wide international network of lawyers and tax consultants of which we are exclusive Cyprus members, with whom we are

personally acquainted and maintain close professional ties with."

The firm specializes in Company Law, Commercial Law, International Tax Planning, Employment Law, Administration of Estates, Wills and Succession, Distribution Agreements, Leases and Leasing, Shipping, Joint Ventures, Trusts and Estate planning and the multilingual staff provide services in Armenian, Greek, English, French and Turkish.

"Our client portfolio and experience includes multinational cross border transactions, mergers and acquisitions, structuring holding companies with subsidiaries all over the world with a wide span of activities" explained Nairy.

"Our international joint venture projects involvement over the last twenty years includes legal advice to IP, marketing, mining, real estate, shipping/ship management/ship owning companies, water processors/bottlers, healthcare/health supplements producers, oil and gas drilling as well as ancillary products and services groups, as well as to international groups involved in several other trading/services areas worldwide."

www.nmerhejelaw.com
E: nmerheje@nmerhejelaw.com

Tourism: Safe and hassle-free visit for vaccinated Israelis

PARKLANE: a jewel in the cosmopolitan coastal city of Limassol



Parklane's pool & beach area

A jewel in the cosmopolitan coastal city of Limassol, Parklane, a Luxury Collection Resort & Spa - offers a unique blend of experiences for its customers ranging from exotic, relaxing and romantic to luxury, corporate and family-friendly. It has set the accommodation standards in the

island to unmatched highs with full-luxury rooms and suites - overlooking a 300-long golden-sand mediterranean beach - as well as the famous detached Park Villas, dispersedly placed throughout the resort offering a unique stay in a modern Cypriot design and private swimming pools.

The resort offers an unrivaled gastronomic experience where the guest is spoiled for choice between a romantic Italian restaurant, a fused Japanese sushi bar, a relaxing poolside bar, a traditional Greek and Cypriot restaurant, a prime steakhouse The Grill operating outdoors in the summer at the amazing "Islands" venue - a unique dining experience on floating islets. Two elegant bars and three different swimming pools - one open for adults-only and another one with seawater - provide an abundance of choices for relaxing and socializing. When visiting with family, there is the option of a family-friendly swimming pool as well as the imaginative Park Kidz where children can play and learn under the supervision of professionals.

As for the business visitor, Parklane stands out with one of the best meeting facilities in the island and a luxurious 800m2 ballroom suitable for small informal gatherings, through to larger, more elaborate celebrations. The ballroom,

together with the different cuisines and the on-site chapel, can host the finest and most demanding wedding venues. Parklane can overwhelm even the most



The Park Kidz children's club

active guests, with two artificial clay tennis courts, a multi-use sports area and a mini football pitch with FIFA-spec

grass, beachside water sports such as scuba diving, paddle boarding and snorkeling, a state-of-the-art Parkfit health club that combines a custom-led

service with the latest in Technogym® equipment, fitness classes and indoor pool, perfect for swimming lengths.

A spa area spanning over 3,000m2 which includes fourteen treatment rooms and three suites, including two with Russian Banya and the signature Kalloni SPA Suite, as well as five thalassotherapy pools, where one replicates the salinity of the Dead Sea, promises a transformative experience and is must-do wellness and rejuvenation destination.

For more information visit:
www.ParklaneCyprus.com



INVESTMENT FUNDS

CISCO

Bank of Cyprus

14h 48m

TRIDENT TRUST

Researched and written by Marios Tsokkos

www.mercuryglobalreports.com

Cyprus and Israel eye deeper cooperation in the Investment Funds field

Even though 2020 was a challenging year due to the COVID-19 pandemic, the Cyprus fund industry has proven its resilience and continued attracting both promoters and fund managers. "To this end,



Mr. Andreas Yiasemides, President of CIFA

at the end of the second quarter of 2020, Total Assets Under Management increased to almost €8.6 billion, equaling to an annual increase of 3.8%" said Mr. Andreas Yiasemides, President of Cyprus Investment Funds Association (CIFA).

Israel is experiencing an even bigger growth, and according to Ms. Lital Dagan, CEO of Israel Hedge Funds Association (IHFA), "the hedge funds industry in Israel includes over 170 active hedge funds that manage approximately \$10B in Assets Under Management (AUM). This is a 20% growth in AUM since last year. Since 2007, the TGI Index, the index of the hedge funds industry in Israel, has returned 190% more than the Tel Aviv 125 Index".

Given this recent growth in both countries, seeking deeper bilateral cooperation was a matter of time. Cyprus combines many features that make the country a robust investment destination. "We have at our disposal a highly sophisticated pool of talent in financial and professional services, which combined with a competitive tax framework and a low-cost Mediterranean lifestyle give Cyprus a prime position for foreign investors outside the

EU to access the region's deep capital markets" explained Ms. Demetra Kalogerou, Chairwoman of Cyprus Securities and Exchange Commission (CySEC). Indeed, Israeli funds established in Cyprus can benefit from the EU passport, offering fund managers cross-border fund distribution. "The main advantage in Cyprus is that it is a gateway to the EU, and under certain conditions the fund managed by



Ms. Lital Dagan, CEO of IHFA

Israelis can be marketed to EU residents. Cyprus has the potential to become a European hub of funds" added Dagan.

Kalogerou notes that Cyprus has developed and grown an established collective investment funds industry over the last 9 years. "Today, CySEC has under its supervision a total of 266 Management Companies and Undertakings of Collective Investments in Transferable Securities (UCITS) compared to 102 in 2016, an increase of more than 160%" she explained.

Similarly, the Israeli hedge funds industry has become a significant part of its domestic capital market. "Today we are witnessing a thriving local industry that helps developing Israel's economy and



Ms. Demetra Kalogerou, Chairwoman of CySEC

capital markets. In fact, Israeli funds returned 85% since 2013" said Dagan.

"The message for our Israeli friends is to explore the Cypriot funds' ecosystem. To contact local professionals and au-

thorities, to get to know first-hand how Cyprus can be the ultimate jurisdiction to set up their fund and fund management structures" said Yiasemides. "We are optimistic that the industry will soon reach the €20 billion threshold in Assets Under Management, but we are determined that this growth will be done the right way."

www.cifacyprus.org
https://ihfa.org.il
www.cysec.gov.cy

Scan here to read the full interviews:



Cyprus leading Investment Bank woos Israeli investors

The Cyprus Investment and Securities Corporation ("CISCO") has a long history in the Cypriot capital markets. CISCO was established by the World Bank in 1982 and acquired by the Bank of Cyprus in 1988 to serve as its investment banking arm.



Dr. Athos Chandriotis, General Manager of CISCO

Being a subsidiary of the largest banking institution on the island and having an excellent reputation have made the firm a major player, virtually the sole actor at such a scale. "CISCO offers a suite of brokerage and investment banking

services and will be reintroducing discretionary asset management as part of the offering in 2021" announced by Dr. Athos Chandriotis, CISCO's General Manager. "We are the number one broker in the Cyprus Stock Exchange and a top-20 remote member of the Athens Stock Exchange" he explained. The firm serves a diverse customer base that comprises mostly of large Cyprus-based corporates, both listed and private and its brokerage services focus at large on retail clients, while asset management will be geared towards institutional investors and Funds. "CISCO's online trading platform can be accessed from a mobile app and is continuously being developed to match customer needs. CISCO has won the CFI.co award for the Best International Investment Banking Team (Cyprus) for 2020" highlighted Dr. Chandriotis.

CISCO Investment Banking is active in providing advisory services for the structuring and securing licensing of funds such as UCITS and Alternative Investment Funds (AIFs) as well as licensing of Asset Management companies. Our services include, struc-

turing, preparation of the application package, securing the licensing of the Fund and finding investors if needed.

CISCO has several long-standing clients from Israel on its electronic brokerage platforms and has also acted as a lead manager and Nominated Advisor for companies with Israeli sponsors that have listed their shares on the Emerging Companies Market (ECM) of the Cyprus Stock Exchange. "Israeli clients are very knowledgeable and demanding and this is the reason they come to CISCO. They know that their needs will be served swiftly, courteously, efficiently and in a cost-effective manner. "CISCO could become the local trusted partner of Israeli businesspeople and investors who seek to branch out to Europe in a friendly neighborhood environment and assist them to execute their business plans by offering solutions to their financial needs with top-notch customer service team, knowledgeable and experienced to accommodate their requirements" Dr. Chandriotis said.

www.cisco-online.com.cy

PwC Cyprus: Israel's innovative Fund Industry can thrive in Cyprus' favourable system

"The Asset Management sector has always been at the forefront of change and innovation and to succeed in this space you need to be agile and future-focused, like our Israeli counterparts" said Ms. Christia Evagorou, Director at PwC Cyprus. "The Israeli Asset Management scene is indeed one that places importance on innovation and for this reason it



Ms. Christia Evagorou, Director at PwC Cyprus

is attracting considerable attention from international investors" she explained. On the other hand, "Cyprus' regulatory and legal framework is classed as one of the most flexible in the EU, while maintaining high levels of investor protection" said Ms. Nayia Ziourti, Advocate and Director at PwC Cyprus. Indeed, Cyprus' legal system which is modelled on the English legal system, is attractive to many investors and

managers. "Both the private and public sector are placing a lot of emphasis on making Cyprus one of the most attractive Fund and Asset Management jurisdictions by offering a comprehensive solution to the modern Asset Managers and Investors" added Evagorou.

"An Israeli investment fund or any fund-related company interested in doing business in Cyprus can take advantage of the flexible legal system, low set-up and maintenance costs, as well as the attractive tax regime and use Cyprus as their gateway to Europe" Ziourti clarified.

PwC Cyprus Fund Services team can assist Israeli Funds and Fund Managers to build the right setup, advise on legal, tax, regulatory, employment matters, all the way through to the actual implementation and ongoing support with all business matters that would typically concern their clients. "Our team consists of qualified accountants, certified professionals by the Cyprus Securities and Exchange Commission (CySEC), experienced lawyers and active members of the Cyprus Investment Funds Association (CIFA). As such, they can assist Israeli Funds, Asset and Fund Managers in all aspects of structuring, setting up and maintaining a fund and/or a fund manager in Cyprus, including assistance with the licensing process and the ongoing administration as well as offering legal, tax



Ms. Nayia Ziourti, Advocate and Director at PwC Cyprus

and compliance services" said Ziourti.

"PwC Cyprus is very actively involved in shaping the local funds industry, not only through supporting our clients' businesses but also through the contribution of our Funds' Services Leader, Mr. Andreas Yiasemides, who is also the president of CIFA, the local association responsible for the advancement of the Funds and Asset Management industry in Cyprus" concluded Evagorou.

www.pwc.com.cy



Proutzos & Proutzos LLC | EY Law: Ready to help Israelis navigate the funds ecosystem

Proutzos & Proutzos LLC | EY Law has been engaged in the setting up and operation of a significant proportion of



Mr. Charalambos Proutzos, Managing Partner Proutzos & Proutzos LLC, EY Law Leader Central, Eastern, Southeastern Europe & Central Asia

the Alternative Investment Funds established in Cyprus and has been advising predominantly international asset managers who establish an investment management firm in Cyprus under the supervision of CySEC. Mr. Charalambos Proutzos, Managing Partner at Proutzos & Proutzos LLC, EY Law Leader

Central, Eastern, Southeastern Europe & Central Asia sees an increased interest from Israeli asset management firms and a turn from the jurisdictions they had been traditionally using for hosting and distributing their investments, to the use of Cyprus investment funds. "This trend has been facilitated by the enhanced funds' ecosystem that Cyprus has organically developed, the fee compression the asset management industry is experiencing which obliges fund managers to look for the same quality at a more competitive cost as well as Cyprus' tax-friendly regime; both at an investor and a fund management level" he explained.

Proutzos pinpoints that Proutzos & Proutzos LLC | EY Law has a solid network of advisors in Cyprus, an important requirement for doing business in the country. "Our firm is cooperating with highly skilled organisations offering the services a fund receives during its life cycle and an asset manager requires during its operations, such

as fund management, administration, depositary, tax, audit and compliance advice, for seamless and high-quality support" he said. The firm's capabilities include legal and tax services, advice on investment deployment in Cyprus and support during the capital raising stage.

With the different structures available for setting up and managing investment funds, and the introduction of the mini-AIFM to serve asset managers with up to 500million AuM, the Cyprus funds' industry has certainly gained momentum in the global arena. "Proutzos & Proutzos LLC | EY Law core focus on fund advisory services is driven by the goal of achieving our clients' expectations from the Cyprus funds and asset management sector" he concluded.

www.pplegal.com.cy



A rising star in the Funds industry

Inveqo Fund Management is a private and independent Alternative Investment Fund Manager established in 2019, authorised and supervised by the Cyprus Securities and Exchange Commission, with AIFM License Number AIFM32/56/2013, and managed by a highly skilled and diverse Board of Directors, bringing together years of experience in corporate, fund and investment management services from various international jurisdictions. INVEQO operates under the concept of "one-stop shop". "Simply put, we aim to provide our clients, both local and international, with the entire spectrum of financial investment services and support" said Mr. Nikolas Charalambous, CEO of the company.



Mr. Nikolas Charalambous, CEO of INVEQO

es, INVEQO can advise on the proper structuring and setup of a Cyprus investment fund or provide fund hosting through the use of its license. "Our highly skilled and diverse team is ready to serve clients, understand their needs and offer solutions that will enhance their strategy and add value to their business" said Charalambous. INVEQO is among the few Fund Managers in Cyprus experienced in fund structuring, set-up and licensing and cost efficient in delivering high quality ser-

vices in Cyprus. "We welcome any potential interested party to contact us for any information and/or assistance they may require in relation to Cyprus investment funds" highlighted Charalambous. Since its inception, INVEQO has established strong and long-term business affiliations with various firms in the fund industry both local and international and had the chance to work with Israeli counterparts, as well as with Israeli investors whether companies or individuals. "We aim to help our clients find solutions and quickly establish themselves in the funds industry, and give them the tools to compete against other counterparts" said Charalambous. "We are truly independent and in a unique position to offer the best solution, having in mind always the best interests of our clients."

www.inveqo.net



Continuing Trident Group's legacy in Cyprus

Trident Cyprus, an important part of the global Trident Group, was established in 1996 to provide Corporate, Fiduciary and Trust services to local and international clients. The ongoing success made the company one of the leaders in Cyprus' competitive Financial Services industry. In 2018, Trident Cyprus launched its Fund Administration Services as it saw the opportunity following the rapid growth of the local fund industry. "In Cyprus, Trident's Fund business is growing in line with the growth of the local industry and it is believed that this growth will be exponential considering the macro-economic factors that are now working in favour of positioning Cyprus as a key EU Fund domicile" said Mr. Andreas Mercouri, General Manager of Trident Cyprus.



Mr. Andreas Mercouri, General Manager of Trident Cyprus

During its 25 years in Cyprus, Trident has formed key alliances within the industry that are of particular importance when considering Fund Services. "These

key alliances allow Trident Cyprus to offer one-stop-shop solutions to clients in terms of initial tax or legal advice required, fund hosting and depositary services, the setup of a structure and of course the ongoing administration" explained Mercouri. "Moreover, we are able

to offer multi-jurisdictional support and services based on our Group's international presence in over 20 jurisdictions."

Because of the Group's global reach, the Trident team in Cyprus has had the opportunity to work with Israel since its initial setup and looks for more business with the neighbouring country, as Cyprus continues to develop its fund services. "Trident Cyprus is determined to continue developing its Fund business, especially with Israel, where there is already a history and good working relations with many local professionals. For anyone in Israel considering Cyprus, remember, it is only a very short flight away and of course in today's digital world a couple of clicks for a virtual call to find out more" Mercouri concluded.

https://tridenttrust.com/about-us/our-people/europe-middle-east-africa/cyprus/

Alter Domus Cyprus: Providing global fund services to the sophisticated Israeli market

Alter Domus, with nearly 3,000 employees across 35 offices in 20 countries is a global leader in fund administration, corporate services, depositary services, transfer pricing, domiciliation, management company services, loan administration, agency services, trade settlement and CLO manager services. Alter Domus serves 16 of the 20 largest private equity houses, 17 of the 20 largest real estate firms, and 17 of the 20 largest private debt managers in the world and has more than USD 1 trillion in global assets under administration.

Alter Domus recognizes Israel as a strategic location where the level of sophistication of the business world, as well as the market maturity, have created an environment for productive and efficient dealings, both in terms of new business as well as ongoing co-operation. "Israel is well known as the Start-Up Nation, ranking amongst the first in innovation, technological readi-



Ms. Evdokia Stavraki-Stephanou, Head of Israeli Desk at Alter Domus Cyprus

ness, business sophistication, venture capital availability, and R&D with fund managers that are experts in their field," explained Ms. Evdokia Stavraki-Stephanou, Head of the Israeli Desk at Alter Domus Cyprus. "For these reasons, Alter Domus maintains an Israeli desk

which I head in order to be close to our Israeli clients and contacts. I am based in Cyprus, whose proximity to Israel has long made for convenient air travel."

Alter Domus has been present in Cyprus for more than 10 years and the team is fully equipped with knowledgeable staff and the technical software platforms used in all Alter Domus offices around the globe. "This helps us ensure support for our clients including Israeli funds, asset and fund managers, and other related companies interested in doing business in Cyprus" explained Stavraki-Stephanou. "We are perfectly positioned with the accumulated knowledge and support of our international teams to assist fund managers in overcoming challenges and meeting investors demands with high quality deliverables, efficiency, flexibility and effectiveness" she concluded.

https://www.alterdomus.com/offices-desks/europe/cyprus-office