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COMMISSION STAFF WORKING DOCUMENT

2024 Rule of Law Report Country Chapter on the rule of law situation in Cyprus

Accompanying the document

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

2024 Rule of Law Report

The rule of law situation in the European Union

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ABSTRACT

The major reform of the Cypriot courts system and the new rules on civil procedure are positive developments that have been welcomed by all stakeholders. The Government is in the process of drafting legislation aiming to separate the advisory and prosecutorial role of the Law Office, which is a positive step towards strengthening the independence of the Prosecution Service. There is still no possibility of review of the decisions of the Attorney General not to prosecute or to discontinue proceedings. Efforts to improve the low level of digitalisation continue, while challenges persist, including in the deployment of the new electronic case-management system. Difficulties to attract qualified candidates for judicial positions and the persistent shortage of support staff could negatively affect the work of the courts. The implementation of measures to reduce the excessive length of proceedings continues at a fast pace, while serious challenges remain regarding the efficiency of justice, in particular for cases before second instance courts.

Steps have been taken to increase the resources of the Independent Authority against Corruption and to accelerate the delayed monitoring of the implementation of the National Strategy Against Corruption. The limited access to relevant information affects the ability of the Audit Office to effectively perform audits. Few cases advanced, including high-level corruption cases, and the number of convictions remained limited. New legislation on the declaration of asset was adopted, while it remains to enter into force and be effectively implemented. Lobbying measures started to be implemented and rules on conflicts of interest for Members of Parliament continue to be monitored. Integrity rules for top-level executive functions are under discussion, and no changes are foreseen for Members of Parliament. Integrity measures exist for judges, while some concerns were raised about the oversight and accountability system for the police. Guidelines were developed to handle whistleblowing reports. Specific initiatives have been taken to counter the high risks of corruption in public procurement and local administrations.

There have been no further regulatory changes to the framework relating to transparency of media ownership nor to address the lack of legislation and transparency in the field of state advertising. Further steps were made with regard to the independent governance of public service media as the consultation process started in 2022 on a planned overhaul of the law regulating public service media is ongoing. A bill on press freedom which aims at introducing provisions relating to electronic media, enshrining a code of practice in law and safeguarding the safety of journalists and other media workers, has been put on hold following consultations. While an information campaign was launched with the aim to raise awareness on the public's right to access information, challenges in implementation persist.

The launching of the e-consultation platform is a step towards improving effective and timely consultation of stakeholders in the legislative process, but further measures are needed for meaningful public consultation. The Ombudsperson is undertaking an additional role in monitoring compliance with fundamental rights. A draft law aims to address persistent challenges regarding the failure by parts of the administration to comply with decisions of administrative courts. Plans for regular dialogue between the authorities and civil society are encouraging, while concerns remain as to the administrative requirements imposed to Civil Society Organisations.

RECOMMENDATIONS

Overall, concerning the recommendations in the 2023 Rule of Law Report, Cyprus has made:

- Some progress on strengthening the independence and the accountability of the Prosecution Service, including by providing for a possibility of review of the decision of the Attorney General not to prosecute or to discontinue proceedings, taking into account European standards on independence and autonomy of the prosecution.
- Some progress on ensuring that the recently established Independent Authority against Corruption has the financial, human and technical resources to effectively perform its competences.
- Significant progress on introducing rules on asset disclosure for elected officials to establish regular and comprehensive filing, combined with effective, regular and full verifications.
- No progress on adopting legislation to ensure fair and transparent distribution of advertising expenditure by the state and state-owned companies.
- Some further progress on advancing with the process aimed at strengthening the rules and mechanisms to enhance the independent governance of public service media taking into account European standards on public service media.
- Some further progress on proceeding with the adoption of the framework for the effective and timely consultation of stakeholders in the legislative process and ensure its implementation.

On this basis, and considering other developments that took place in the period of reference, and in addition to recalling the relevant commitments made under the Recovery and Resilience Plan, it is recommended to Cyprus to:

- Take forward plans to adopt legislation aiming to provide a clearer distinction between the advisory and the prosecutorial functions of the Attorney General and take measures to establish an effective review of its decisions not to prosecute or to discontinue proceedings, taking into account European standards on independence and autonomy of the prosecution.
- Continue the efforts to ensure that the Independent Authority against Corruption has the human and technical resources to effectively perform its competences.
- Ensure the effective implementation of rules on asset disclosure for elected officials to establish regular and comprehensive filing, combined with effective, regular and full verifications.
- Adopt legislation to ensure fair and transparent distribution of advertising expenditure by the state and state-owned companies.
- Further advance with the process aimed at strengthening the rules and mechanisms to enhance the independent governance of public service media taking into account European standards on public service media.
- Continue efforts to ensure the effective and timely consultation of stakeholders in the legislative process and address shortcomings.

I. JUSTICE SYSTEM

The court system is composed of six District Courts, six Assize Courts¹, the Administrative Court², the Administrative Court of International Protection³, the Commercial and the Admiral Court⁴ at first instance. In addition, there are family courts, rent control courts, industrial disputes courts and a military court⁵. A Court of Appeals deals with appeals against all judgments issued at first instance⁶. The third instance of jurisdiction comprises the Supreme Constitutional Court and the Supreme Court⁷. First and second instance judges are appointed, transferred and promoted by the Supreme Council of Judicature (SCJ)⁸. Judges at the highest courts are appointed by the President of the Republic, on the basis of a list of suitable candidates established by the Advisory Judicial Council⁹. The Prosecution Service is organised under the Attorney General of the Republic, who is appointed by the President of the Republic¹⁰. The Attorney General heads also the Law Office of the Republic, which is an independent service¹¹ assisting him, not subjected to any ministry. Cyprus participates in the European Public Prosecutor's Office (EPPO). The independent national bar association has regulatory and disciplinary competence as regards its members.

Independence

The level of perceived judicial independence in Cyprus continues to be average among both the general public and companies. Overall, 49% of the general population and 47% of companies perceive the level of independence of courts and judges to be 'fairly or very good'

¹ The Assize Court has unlimited jurisdiction to hear and determine at first instance any criminal case.

² Establishment and Function of the Administrative Court, Law 131 (I)/2015.

³ Establishment and Function of the Administrative Court for International Protection, Law 73 (I)/2018.

⁴ Establishment and Operation of the Commercial Court and the Admiralty Court, Law 62 (I)/2002. The Courts will adjudicate, at first instance, on high profile commercial and admiralty cases respectively.

⁵ 2022 and 2023 Rule of Law Reports, Country Chapter on the rule of law situation in Cyprus p. 3.

⁶ The Court of Appeals is composed of 16 judges and has three divisions: civil, criminal and administrative.

⁷ The Supreme Constitutional Court, composed of nine judges, mainly rules on (i) unconstitutionality claims; (ii) conflicts of competence between public authorities; and (iii) administrative cases at third degree. The Supreme Court, composed of seven judges, acts as third degree of jurisdiction in all civil and criminal cases, and cases under the competence of specialized courts.

⁸ The Supreme Council of Judicature is composed of all the judges of the Supreme Court, the Advocate General, the President of the Cyprus Bar Association and two experienced lawyers. Constitution of Cyprus, Article 157 para. 2. This constitutional provision is further elaborated in Law on the Administration of Justice of 1964, Section 10, as modified by Laws 163(I)/2022 and 223(I)/2022.

⁹ The Advisory Judicial Council is composed of the judges of the court for which the candidates apply, the Attorney General, the President of the Bar association and two experienced lawyers. Only the judges-members have the right to vote. The President of the Republic is not bound to appoint a person from the list of the proposed candidates. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus p. 4.

¹⁰ The Attorney General has the power, exercisable at his discretion in the public interest, to institute, conduct, take over and continue or discontinue any proceedings for an offence against any person (legal or natural) in the Republic. The Attorney General is also the legal adviser of the Republic, of the President, of the Council of Ministers and of the Ministers individually. He is also honorary president of the Cyprus Bar Association, chair of its disciplinary council and of the body responsible for the admission to practice and enrolment of lawyers. He performs all other functions and duties conferred on him by the Constitution or by statutory law. See Constitution of Cyprus, Article 112.

¹¹ The Attorney General's representatives (law officers) act on his behalf and only take instructions from him. All law officers are members of the Public Service, subject to the Public Service Law and Regulations including disciplinary procedures as all other public servants.

in 2024¹². Among the general public, this figure has decreased in comparison with 2023 (54%), as well as in comparison with 2020 (55%). The perceived judicial independence among companies has increased in comparison with 2023 (44%), but it is slightly lower than in 2020 (48%)¹³.

There has been some progress in strengthening the independence of the Prosecution Service, as the Government is in the process of drafting legislation aiming to separate the advisory and the prosecutorial functions of the Attorney General. The 2023 Rule of Law Report recommended to Cyprus to “strengthen the independence (...) of the Prosecution Service, (...), taking into account European standards on independence and autonomy of the prosecution”¹⁴. Previously identified weaknesses regarding the independence of prosecution have not yet been addressed, which may undermine the effectiveness of the criminal justice system, the broader anti-corruption framework and business environment¹⁵. In May 2024, the Minister of Justice announced before the Parliament that following the completion of a comparative study¹⁶, the Ministry of Justice is in the process of preparing draft legislation aiming to separate the advisory and the prosecutorial functions of the Attorney General¹⁷. Once prepared, the draft bills will be discussed with relevant stakeholders and be submitted for legal vetting to the Law Office¹⁸. Parliament also held discussions on the need to reform the Law Office¹⁹. In February 2024, nine Members of Parliament tabled a legislative proposal to amend Article 113 of the Constitution²⁰ and establish a new independent service of public

¹² Figures 51 and 53, 2024 EU Justice Scoreboard and Figures 50 and 52, 2022 EU Justice Scoreboard. The level of perceived judicial independence is categorised as follows: very low (below 30% of respondents perceive judicial independence as fairly good and very good); low (between 30-39%), average (between 40-59%), high (between 60-75%), very high (above 75%).

¹³ 31% of the companies in Cyprus are either fairly or very confident that their investments are protected by the law and courts in the Member State. 42% of the surveyed companies see the quality, efficiency or independence of justice as one of the main reasons for concern about investment protection in the country. Figures 55 and 56, 2024 EU Justice Scoreboard.

¹⁴ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 2.

¹⁵ European Semester 2024 Country Report – Cyprus, SWD (2024) 613 final, pp. 11 and 59. See also, Recovery and Resilience Facility – Mid-term evaluation, Case study on economic, social and institutional resilience: justice reforms, p 2.

¹⁶ The study focused on the applicable framework in countries that have a similar legal system to Cyprus, such as Malta, Ireland and UK. Written contribution from the Ministry of Justice and Public Order in the context of the country visit to Cyprus.

¹⁷ The previously submitted Proposal for the Law on the Law Office of the Republic of 2022 is pending before the relevant parliamentary committee since April 2023. See, 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 6-7.

¹⁸ The Law Office (Legal Vetting Section) is responsible for the legislative control of all draft bills.

¹⁹ See, for an overview of the roles and powers of the Attorney General, footnote 10. The Standing Committee on Institutions, Merit and the Ombudsman held several hearings on possible ways to remedy the imbalances existing in the constitutional structure (File No. 23.04.038.1099-2021 ‘The long-standing problems encountered in the Republic of Cyprus due to the lack of checks and balances in relation to institutions, division of powers and the functioning of the State) and relevant discussions following the publication of the 2023 Rule of Law Report. Written contribution from Parliament in the context of the country visit to Cyprus, pp. 1-2.

²⁰ Constitution of Cyprus, Article 113: “1. The Attorney-General of the Republic assisted by the Deputy Attorney General of the Republic shall be the legal adviser of the Republic and of the President and of the Vice-President of the Republic and of the Council of Ministers and of the Ministers and shall exercise all such other powers and shall perform all such other functions and duties as are conferred or imposed on him by this Constitution or by law. 2. The Attorney-General of the Republic shall have power, exercisable at his discretion in the public interest, to institute, conduct, take over and continue or discontinue any proceedings for an offence against any person in the Republic. Such power may be exercised by him in person or by

prosecutors headed by a General Prosecutor²¹, which is still to be scheduled for discussion. Stakeholders generally welcomed the proposal²². Thus, there has been some progress on the implementation of this element of the recommendation made in the 2023 Rule of Law Report.

There has been some progress related to providing for a possibility of review of the decisions of the Attorney General not to prosecute or to discontinue proceedings. The 2023 Rule of Law Report recommended to Cyprus to “strengthen (...) the accountability of the Prosecution Service, including by providing for a possibility of review of the decision of the Attorney General not to prosecute or to discontinue proceedings, taking into account European standards on independence and autonomy of the prosecution”²³. The Attorney General announced plans to establish an internal procedure²⁴ for the review of his decisions not to prosecute or to discontinue criminal proceedings²⁵. The proposed procedure foresees the internal workflows for assessing both the initial decision regarding prosecution and the request for review²⁶. The final decisions in both cases are taken by the Deputy Attorney General or the Attorney General²⁷. Claimants or victims would receive information about the decisions and their reasons limited to the extent necessary by considerations of public interest or the protection of third parties. Those having a legitimate interest would be able to submit a request for review within a ‘reasonable time’. A similar procedure is envisaged for decisions to discontinue criminal proceedings. The Law Office is also in the process of preparing a set of criteria, based on which, initial decisions to prosecute or to discontinue proceedings will be

officers subordinate to him acting under and in accordance with his instructions’. Article 113 is not part of the unamendable constitutional provisions. It can thus be modified with an increased majority by Parliament. Cyprus Constitution, Article 182. Since its adoption in 1960, the Constitution has been amended 18 times.

²¹ Draft Law on the 19th Amendment of the Constitution (1) 2024.

²² Written contribution from the Audit Office in the context of the country visit to Cyprus, p.19; Information received from Oxygen for Democracy in the context of the country visit to Cyprus; OPEK (2024), Press Release of 5 February 2024, *End of the anachronism with the ‘uncontrolled powers’ of the Attorney General, OPEK: The amendment of the Constitution is more than necessary*. On the contrary, the Law Office considers that any amendments to the Constitution can only be made with caution. Written contribution from the Law Office in the context of the country visit to Cyprus, p. 1. Stakeholders have also raised concerns regarding the role of the Attorney General in the functioning of the Cyprus Bar Association, including its disciplinary board. See, for instance, the intervention of the former President of the Bar, including in relation to a recent case, where the Attorney General reported a lawyer to the Bar Association for possible disciplinary proceedings, after the latter publicly criticised the Attorney General for a decision to discontinue criminal proceedings initiated by the lawyer’s client (Institute of Studies for Politics and Democracy, ISPD Politics Podcast, Ep.10 The separation of powers of the Attorney General, 26 February 2024).

²³ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 2.

²⁴ According to the Law Office, an internal review was considered a more appropriate measure than a judicial review due to constitutional constraints. Written contribution from the Law Office in the context of the country visit to Cyprus, p. 6.

²⁵ Internal procedure of the Law Office relating to initial and review decisions to institute or to discontinue criminal proceedings. Written contribution from the Law Office in the context of the country visit to Cyprus, annex 2.

²⁶ Initial decisions would be assessed consecutively by (i) a legal officer; (ii) the senior lawyer/team leader; and (iii) the Head of the Criminal Law Department. Requests for review would be examined by a team of two prosecutors. The review team may request the views of the Head of the Criminal Law Department in order for the latter to explain the rationale of the initial decision.

²⁷ In principle, it is the Deputy Attorney-General deciding on prosecution, unless the case is particularly serious or raises issues of public interest. In that case, the decision is taken by the Attorney General. The Attorney General would take the final decision on requests for review.

taken²⁸ and of reviewing the Code of Conduct of Public Prosecutors²⁹. Plans to introduce a legal remedy in the Cypriot legal order are a first positive step and the draft legal texts are expected to be presented soon. The effectiveness of the envisaged review in guaranteeing accountability and improving public trust in the prosecution authorities is to be assessed taking into account European standards³⁰. Prosecutors and legal officers are acting under and in accordance with the instructions of the Attorney-General, who decides on both the initial and the review request. The strict hierarchical internal organisation of the Law Office³¹ raises questions as regards the effectiveness of the remedy. In addition, the conditions under which claimants and victims can ask for a review do not provide legal certainty³². Stakeholders underlined the need to increase public trust and provide for judicial review, in particular against decisions of the prosecution service not to investigate or prosecute alleged corruption, fraud and other criminal offences affecting the Union's financial interests³³. There has been some, albeit limited, progress on the implementation of this element of the recommendation made in the 2023 Rule of Law Report.

Quality

The major reform of the courts system and the new rules on civil procedure are a positive development that has been welcomed by all stakeholders. The justice system underwent a major reform in the second half of 2023. New levels of jurisdiction and new courts were established³⁴. Following the timely appointment of all judges, the newly established Supreme Constitutional Court and Court of Appeal started adjudicating cases in

²⁸ GRECO had also recommended to the Cypriot authorities to justify in writing decisions to discontinue criminal cases, considering that decisions taken ought to be subject to sufficient checks and balances, e.g. be guided by strict criteria and the justifications sufficiently documented. GRECO (2016), Fourth Evaluation Round, Evaluation Report on Cyprus on Corruption prevention in respect of members of parliament, judges and prosecutors, para. 191.

²⁹ The main change introduced is the introduction of a right for prosecutors and legal officers dealing with criminal cases under the instructions of the Attorney General to refuse to carry out instructions which are illegal or run counter to their conscience. Written contribution from the Law Office in the context of the country visit to Cyprus.

³⁰ See, in particular, the relevant opinions of the Venice Commission, 'any powers to start, stop and discontinue criminal proceedings, which are not subject to judicial review, do not comply with modern notions of the rule of law' (CDL-AD(2018)028-e, Opinion on Constitutional arrangements and separation of powers and the independence of the judiciary and law enforcement, para. 67); as well as CDL-AD(2010)040, Report on European Standards as regards the independence of the judicial system: Part II- the prosecution service, para. 45; and CDL-AD(2016)017, Rule of Law Checklist, II.E.1.d.xii. See also, Recommendation CM/Rec(2000)19 of the Committee of Ministers of the Council of Europe on the role of public prosecution in the criminal justice system, para. 34.

³¹ The hierarchical subordination of prosecutors to the Attorney General is enshrined in the Constitution. The Draft Law on the Law Office reflects the strict hierarchical structure by reiterating that legal officers 'represent the Attorney General and act under his instructions'. Proposal for the Law on the Law Office of the Republic of 2022. Input from Cyprus for the 2024 Rule of Law Report, p. 1.

³² It is not clear who is entitled to submit a request, as the use of the notion 'legitimate interest' calls for different interpretations. Also, there are no clear time-limits for asking for review. The notion of reasonable time is open to interpretation. Last, it is also not clear how claimants can request a review in case they have not received reasons for the initial decision.

³³ In July 2023, citizens addressed a written petition entitled 'Reform of Cypriot law on the criminal role of the Attorney General' to the President of the Republic and to Parliament. The petitioners requested the authorities to submit to judicial review the decisions of the Attorney General regarding the exercise of his prosecutorial powers. See, also contribution from Oxygen for Democracy for the 2024 Rule of Law Report, p. 13, Written contribution from the Audit Office in the context of the country visit to Cyprus, p.15.

³⁴ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 4, 11 and 12.

July 2023, contributing to alleviating some of the heavy workload of the Supreme Court³⁵. The new rules on civil procedure also entered into force, allowing for more flexibility and providing judges with more powers to structure the debates and avoid unnecessarily postponements and delays³⁶. The Commercial and the Admiralty Courts have not started functioning, as no judges have been appointed yet³⁷. All stakeholders, including judges, judicial staff and lawyers, have welcomed the reform, while they agree that it is too early to assess its full impact³⁸. Several other reforms, such as the creation of an independent Court Service and the revision of the arbitration law in civil and commercial matters, are ongoing; however, their implementation pace is rather slow³⁹.

Efforts to improve the low level of digitalisation continue, while challenges persist, including in the deployment of the new electronic case management system. The 2024 EU Justice Scoreboard shows improvement in the level of digitalisation of justice in several areas, including the use of digital technology by courts and prosecution⁴⁰, the adoption of procedural rules allowing the use of digital technology in proceedings⁴¹ and the availability of secure electronic communication for courts and prosecution services⁴². Furthermore, the use of remote hearings to facilitate children's participation to proceedings⁴³ and plans to develop tools for the online publication of judgments⁴⁴ are positive developments. However, criminal proceedings continue to lack any digital solutions⁴⁵, as well as proceedings before the Administrative Court of International Protection and the Supreme Constitutional Court. Regarding civil and administrative proceedings, the already delayed deployment of the highly anticipated e-justice system⁴⁶, in January 2024, came with serious stability and functionality

³⁵ The vast majority of the cases allocated to the Court of Appeal are civil appeals pending before the Supreme Court since 1 January 2018. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 11.

³⁶ Rules of Civil Procedure of 2023. The new procedural rules entered into force in September 2023. Among the key innovations is that the judges (and not, anymore, the parties) have the main responsibility for the case management. See for more details, 2022 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 6-7. Input from Cyprus for the 2024 Rule of Law Report, p. 20.

³⁷ According to the Judicial Service, the appointment of judges for other courts had to be prioritized. Information received from the Department of Judicial Reform in the context of the country visit to Cyprus.

³⁸ Information received from the Supreme Constitutional Court, the Supreme Court, the Association of judges, the Department of Judicial Reform, the Cyprus Bar Association and the Ministry of Justice in the context of the country visit to Cyprus.

³⁹ For instance, the establishment of the Independent Court Service, responsible for the management and administration of the courts, is still in the planning phase: a task force has been created to present a concrete proposal. Information received from the Department of Judicial Reform in the context of the country visit to Cyprus. See also, 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p.8.

⁴⁰ 2024 EU Justice Scoreboard, Figure 44.

⁴¹ 2024 EU Justice Scoreboard, Figure 43.

⁴² 2024 EU Justice Scoreboard, Figures 45 and 46.

⁴³ See also 2024 EU Justice Scoreboard, Figure 31 on availability of child-friendly hearings. The Supreme Court is also examining ways to expand the practice and organise remote hearings from prisons. Information received from the Department of Judicial Reform and the Supreme Court in the context of the country visit to Cyprus.

⁴⁴ In the framework of the project Foster Transparency of Judicial Decisions and Enhancing the National Implementation of the ECHR (TJENI), funded by the EEA and Norway Grants Fund for Regional Cooperation, the procurement of IT equipment and the development of the IT tool for the publication of law journals was completed in April 2024. Input from Cyprus for the 2024 Rule of Law Report, p. 19.

⁴⁵ 2024 EU Justice Scoreboard, Figure 48.

⁴⁶ The installation and full operation of the e-justice system was initially foreseen for December 2022 under milestone 183 of Reform 9 (C3.4R9): Digital transformation of courts of the National Resilience and

issues, creating disruptions, and obliging the courts to return to the old “i-justice” system and non-digital methods in order to ensure business continuity⁴⁷. A new deployment of the ‘e-justice’ system is planned for the beginning of 2025⁴⁸.

Difficulties to attract qualified candidates for judicial positions and the persistent shortage of support staff could negatively affect the work of the courts. Judges are appointed from the body of practising lawyers⁴⁹. Although Cyprus has the highest number of lawyers in proportion to their population in the EU⁵⁰, the latest calls for judicial appointments failed to attract satisfying numbers of qualified lawyers⁵¹. Difficulties to attract qualified judges have been emphasized by all stakeholders, who referred to challenges linked to the working conditions⁵², heavy workload, and the long promotion path of judges, as well as to the high income of private sector lawyers, seen as a competitive disadvantage⁵³. According to the Cyprus Bar Association, incentives should be provided to lawyers to apply for judicial positions, including by opening senior judicial appointments to experienced lawyers⁵⁴. Judges pointed to the need to fill a significant number of upcoming vacancies and highlighted that failure to do so could have a negative impact on the effectiveness of their work⁵⁵. Regarding other court staff, the Supreme Court is in the process of hiring registrars⁵⁶. However, the lack of secretaries, stenographers and support staff remain a serious concern⁵⁷ together with the absence of IT staff⁵⁸. Salaries of public prosecutors⁵⁹ in the Law Office remain low and they criticised the fact that their salaries were not aligned with those of judicial and law officers⁶⁰.

Recovery Plan. Following Cyprus’ request, the milestone was prolonged to March 2024. Annex to the Council Implementing Decision amending Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Cyprus, pp. 87 and 96.

⁴⁷ The collapse of the system generated strong reactions from the Cyprus Bar Association (see press releases of 16 and 18 January 2024). The Supreme Court issued on 29 January 2024 relevant instructions (Directive on the application of the 2024 Rules of procedure for electronic justice). The authorities undertook to inquire into the matter. The Audit Office, that had previously audited aspects of both the i-justice and the e-justice projects, is also looking into the matter. Written contribution from the Audit Office in the context of the country visit to Cyprus p. 13.

⁴⁸ Written contribution from the Ministry of Justice in the context of the country visit to Cyprus.

⁴⁹ Law on Courts 14/1960. The professional requirements in order to be eligible for the position of district judge and president of the district court are six and ten years of practice in the legal profession accordingly. Contribution from the Council of Bars and Law Societies of Europe for the 2024 Rule of Law Report, p. 37.

⁵⁰ 2024 EU Justice Scoreboard, Figure 39.

⁵¹ Contrary to calls for appointments in the Law Office, where the number of candidates was considerably much higher. Information received from the Association of judges in the context of the country visit to Cyprus.

⁵² 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 10.

⁵³ Information received from the Supreme Court, the Association of judges, the Department of Reform of the Supreme Court and the Cyprus Bar Association in the context of the country visit to Cyprus.

⁵⁴ Contribution from the Council of Bars and Law Societies of Europe for the 2024 Rule of Law Report, p. 37.

⁵⁵ Information received from the Association of judges in the context of the country visit to Cyprus.

⁵⁶ Information received from the Department of Reform of the Supreme Court in the context of the country visit to Cyprus.

⁵⁷ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 9.

⁵⁸ Contribution from the Council of Bars and Law Societies of Europe for the 2024 Rule of Law Report, p. 40.

⁵⁹ The public prosecutors work for the Law Office and are hierarchically under the law officers. They normally appear as prosecuting authority before the district and Assize courts. Contribution from Public Prosecutors for the 2024 Rule of Law report, pp.1-2.

⁶⁰ The alignment of the salaries of law officers with the salary scales of judicial officers was already provided in the budget of the Law Office for 2020, also as a response to the GRECO recommendation aiming to

Plans for a reform of legal aid scheme continue being discussed. As noted in the 2023 Rule of Law Report, a proposal to reform the legal aid scheme put forward by the Ministry of Justice in 2022 received criticism from the Bar Association on grounds that the proposed rotating appointment of lawyers breaches the freedom to choose one's lawyer⁶¹. Consulted on the proposal, the Law Office considered that the proposed reform complies with the Constitution⁶². The Ministry of Justice intends to revise the draft law to limit the rotating appointments to criminal cases and cases of international protection, since, according to statistical data, these categories of cases are mostly concerned by abusive practices⁶³. Ongoing discussions also include a proposal aiming to extend the legal aid scheme to victims of domestic violence⁶⁴, and a possible increase of lawyers' fees under the legal aid scheme⁶⁵. The Cyprus Bar Association is running a programme of *pro bono* legal assistance to low-income citizens for cases not covered by the legal aid scheme⁶⁶.

Efficiency

Serious challenges persist regarding the efficiency of justice, in particular for cases before second instance courts. The disposition time in civil and commercial cases at first instance courts significantly decreased from 947 in 2021 to 761 days in 2022, but it remains the highest in the EU⁶⁷. For administrative cases, the disposition time in 2022 dropped from 844 days in 2021 (863 days in 2020) to 461 days in 2022, the lowest observed in the last twelve years⁶⁸. The disposition times at second instance courts were 1 736 days for civil proceedings⁶⁹ and 2 310 days for administrative⁷⁰ (3 132 days in 2021), which were by far the highest in the EU. In 2022, the clearance rate for civil and commercial cases increased to 101% (from 81% in 2021)⁷¹. The clearance rate for administrative cases, which in 2021 was exceptionally low (45.9%), increased to 88%, but remains the lowest in the EU⁷². According to business associations, the length of court proceedings is a major concern for companies and investors, as they introduce a high level of uncertainty and unpredictability, which deters

strengthen the independence of the Prosecution Service. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 6.

⁶¹ Law on Legal Aid (amendment) of 2022. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 10.

⁶² Following requests by the Parliament, the Government also sought comparative information through the European Judicial Network as to legal aid schemes in Europe. Information received from the Ministry of Justice and the Cyprus Bar Association in the context of the country visit to Cyprus.

⁶³ Information received from the Ministry of Justice in the context of the country visit to Cyprus.

⁶⁴ Law on Legal Aid (amendment) of 2023, pending before Parliament.

⁶⁵ Criminal defence lawyers' fees under the legal aid scheme in Cyprus are amongst the lower in the EU. 2024 EU Justice Scoreboard, Figure 26. Contribution from the Council of Bars and Law Societies of Europe for the 2024 Rule of Law Report, p. 40.

⁶⁶ Cyprus Justice Network for All Justice. Information received from the Cyprus Bar Association in the context of the country visit to Cyprus.

⁶⁷ 2024 EU Justice Scoreboard, Figure 5. See also, Figure 16 on the average length of judicial review in competition cases.

⁶⁸ 2024 EU Justice Scoreboard, Figure 8.

⁶⁹ 2024 EU Justice Scoreboard, Figure 7.

⁷⁰ 2024 EU Justice Scoreboard, Figure 9.

⁷¹ 2024 EU Justice Scoreboard, Figure 10.

⁷² 2024 EU Justice Scoreboard, Figure 12.

companies from relying on the judicial proceedings to resolve disputes. This situation adversely impacts the business environment⁷³.

The implementation of measures aiming to reduce the excessive length of proceedings continues at a fast pace. The backlog project, financed under the EU Recovery and Resilience Facility, is on track and has shown already positive results. The project requires that specific proportions of backlog cases be cleared within specific timeframes⁷⁴. According to the Department of Reform of the Supreme Court, the targets set in the National Resilience and Recovery Plan have already been reached and exceeded⁷⁵. The Supreme Constitutional Court is expected to complete soon the adjudication of all the backlog cases assigned to it and has proposed to take over the examination of additional cases assigned to the administrative section of the Court of Appeal⁷⁶. The functioning of the Court of Appeal and the entry into force of the new procedural rules is expected to contribute further to reducing the length of proceedings, in particular for cases at second instance⁷⁷. Judges have, however, raised concerns as to their ability to maintain this pace given the difficulties in recruiting new judges⁷⁸.

II. ANTI-CORRUPTION FRAMEWORK

The Independent Authority against Corruption (IAAC) is responsible for transparency and prevention of corruption in both the public and private sectors, including monitoring the implementation of the national anti-corruption plan⁷⁹. The Attorney General has overall competence to prosecute criminal offences, including corruption, and continues to provide legal advice to law enforcement authorities investigating corruption offences. The Audit General office checks the expenses of public institutions, through which it may detect

⁷³ Information received from the Cyprus Employers and Industrialists Federation (OEB) in the context of the country visit to Cyprus.

⁷⁴ The concrete targets to reduce the backlog of cases are included in the National Resilience and Recovery Plan: under C3.4R8 Efficiency of Justice: Target 181: Reduction of the backlog of cases and appeals pending for over two years before the District Courts and the Supreme Court by 20% from the 31 December 2020 level, to be completed by July 2024; and Target 182: Reduction of the backlog of cases and appeals pending for over two years before the District Courts and the Supreme Court by 40% from the 31 December 2020 level, to be completed by July 2026.

⁷⁵ Information received from the Department of Reform of the Supreme Court in the context of the country visit to Cyprus. In particular, the backlog of civils cases at first instance has been reduced by 53%; in appeal by 59% and the backlog of appeals on grounds of law before the Supreme Court by 91%. Written contribution by Cyprus.

⁷⁶ Information received from the Supreme Constitutional Court in the context of the country visit to Cyprus.

⁷⁷ In the first six months of its functioning, the Court of Appeals has issued 139 judgments. Written contribution from the Cyprus Bar Association in the context of the country visit to Cyprus, p.1.

⁷⁸ Information received from the Association of Judges in the context of the country visit to Cyprus.

⁷⁹ The responsibility to ensure the implementation, progress, management and assessment of the National Strategy against Corruption was transferred to the IAAC by the Ministry of Justice and Public Order, in the second half of 2023. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 13. The mission of the Independent Authority against Corruption (IAAC) is the undertaking of the necessary initiatives and actions for ensuring the coherence and effectiveness of the actions of the services of the public sector, the wider public sector and the private sector in matters of prevention and combating of acts of corruption, as well as for ensuring, in the best and most efficient manner, the implementation, progress, management and assessment of the National Strategy against Corruption. The Authority investigates, on its own motion, or upon submission of a complaint, any acts of corruption in the public sector, in the wider public sector and in the private sector.

suspicious of corruption. Cyprus is not a signatory party to the OECD Anti-Bribery Convention yet⁸⁰.

The perception among experts and business executives is that the level of corruption in the public sector remains relatively high. In the 2023 Corruption Perceptions Index by Transparency International, Cyprus scores 53/100 and ranks 21st in the European Union and 49th globally⁸¹. This perception has deteriorated over the past five years⁸². The 2024 Special Eurobarometer on Corruption shows that 91% of respondents consider corruption widespread in their country (EU average 68%) and 61% of respondents feel personally affected by corruption in their daily lives (EU average 27%)⁸³. As regards businesses, 96% of companies consider that corruption is widespread (EU average 65%) and 72% consider that corruption is a problem when doing business (EU average 36%)⁸⁴. Furthermore, 24% of respondents find that there are enough successful prosecutions to deter people from corrupt practices (EU average 32%)⁸⁵, while 10% of companies believe that people and businesses caught for bribing a senior official are appropriately punished (EU average 31%)⁸⁶.

Some progress was made to increase the resources of the Independent Authority against Corruption (IAAC). The 2023 Rule of Law Report recommended to Cyprus to ‘ensure that the recently established Independent Authority for Anti-Corruption has the financial, human and technical resources to effectively perform its competences’⁸⁷. IAAC employs 5 legal officers (including 4 on a one-year contract), one economist, 8 clerical staff, in addition to its five members⁸⁸. Following an unsuccessful call for national inspectors⁸⁹, last year IAAC hired three foreign short-term inspectors⁹⁰ to examine the allegations of corruption against

⁸⁰ OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, Ratification Status <https://www.oecd.org/daf/anti-bribery/WGBRatificationStatus.pdf>. Cyprus is not a member of the OECD.

⁸¹ Transparency International, Corruption Perceptions Index 2023 (2024). The level of perceived corruption is categorized as follows: low (the perception among experts and business executives of public sector corruption scores above 79); relatively low (scores between 79-60), relatively high (scores between 59-50), high (scores below 50).

⁸² In 2019 the score was 58, while, in 2023, the score was 53. The score significantly increases/decreases when it changes more than five points; improves/deteriorates (changes between 4-5 points); is relatively stable (changes from 1-3 points) in the last five years.

⁸³ Special Eurobarometer 584 on Citizens’ attitudes towards corruption in the EU (2024). The Eurobarometer data on citizens’ corruption perception and experience is updated every year. The previous data set is the Special Eurobarometer 534 (2023).

⁸⁴ Flash Eurobarometer 543 on Businesses’ attitudes towards corruption in the EU (2024). The Eurobarometer data on businesses’ attitudes towards corruption as is updated every year. The previous data set is the Flash Eurobarometer 524 (2023).

⁸⁵ Special Eurobarometer 584 on Citizens’ attitudes towards corruption in the EU (2024).

⁸⁶ Flash Eurobarometer 543 on Businesses’ attitudes towards corruption in the EU (2024).

⁸⁷ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 2.

⁸⁸ In addition to the Chief of IAAC (who is the Commissioner for Transparency) and the 4 members of the Board, as of July 2024 the staff of the IAAC comprises 14 individuals (including 7 on a one-year contract), namely: 5 legal officers (including one seconded to the IAAC from the public sector), 2 administrative officers, 4 clerical officers, 1 temporary economist, as well as 2 ushers.

⁸⁹ According to the Press Release issued by the IAAC, national inspectors were unwilling to investigate allegations of corruption against high state officials. Independent Authority against Corruption, Press Release of 22 June 2023.

⁹⁰ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 15. Concerning foreign investigators, to mitigate possible concerns on its independence, IAAC decided that the panel issuing the final conclusions must have at least one member internal to IAAC. Information received from the IAAC in

top level officials (including one case against the deputy Attorney General and a police officer⁹¹, and one against the former President)⁹². According to international standards, anti-corruption agencies shall be entitled to adequate resources for the fulfilment of their mandate⁹³. Since its establishment in 2022, IAAC has received more than 209 complaints (including some related to the former President, Ministers, or representatives of local authorities), and it has concluded 4 examinations, while others remain pending⁹⁴. In May 2024, the IAAC expressed concern over the Attorney General Office's decision not to prosecute a police officer who refused to testify and reply to IAAC questions, since this type of refusals, IAAC says, would negatively impact the effectiveness of its examinations⁹⁵. For 2024, IAAC received a substantially increased budget of EUR 2.092 million (+73% compared to 2023)⁹⁶, in addition to seven junior and short-term officials (expected to join

the context of the country visit to Cyprus. Concerning all inspection officers, regulations 11 and 12 on the operation of IAAC (secondary legislation 483/2022) provide that: '(11) Upon conclusion of the investigation the Investigator shall draft and submit to the Authority a report accompanied by all relevant evidence and documents; (12) The Authority shall convene a meeting with the purpose of examining the report submitted in accordance with the provisions of paragraph 11 and shall resolve on it while justifying its decision: Provided that, the Authority may request clarifications on the content of the report and may refer it to the Investigator with the purpose of further completion thereof with the new evidence which was requested by the Authority'. Written contribution from the IAAC in the context of the country visit to Cyprus. According to the Article 6 (on Preventive anti-corruption body or bodies) of the UN Convention Against Corruption (ratified by Cyprus in 2009) '(...) specialized staff (...) to carry out their functions, should be provided' by States to anti-corruption agencies. Similarly, according to international standards, anti-corruption agencies 'shall be entitled to timely, planned, reliable and adequate resources for the gradual capacity development and improvement of the agency's operations and fulfilment of its mandate'. UNDP/UNODC supported Jakarta Statement on Principles for Anti-Corruption Agencies (2012), and its Colombo commentary (2020).

⁹¹ While the IAAC found no elements of corruption against the Deputy Attorney General, The IAAC considers that by refusing to answer all questions submitted to him, the police officer may have committed an offence in violation of Article 8(b) of Law 19(I)/2022. The Authority therefore forwarded all relevant documents to the Attorney General office with the recommendation for criminal prosecution of the police officer. The 29 December 2023, the decision was published on the webpage of the IAAC. This case is a point of close attention for CSOs. Input from the Oxygen for Democracy for the 2024 Rule of Law Report, p. 21.

⁹² In February 2024, IAAC appointed an international expert on criminal law (from Australia) to lead the examination of the allegations of corruption against the former President (Philenews, 20 February 2024, and Cyprus Mail, 19 February 2024). The IAAC's policy remains to appoint inspection officers from Cyprus, in all cases where there are no objective difficulties. Written contribution from the IAAC in the context of the country visit to Cyprus.

⁹³ The UN Convention against corruption (UNCAC) at Article 6(2) indicates that 'The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided'. According to international standards, anti-corruption agencies 'shall be entitled to timely, planned, reliable and adequate resources for the gradual capacity development and improvement of the agency's operations and fulfilment of its mandate'. UNDP/UNODC supported Jakarta Statement on Principles for Anti-Corruption Agencies (2012), and its Colombo commentary (2020).

⁹⁴ As of July 2024, 4 investigations remained open, and 22 complaints were under preliminary assessment (according to Article 9 of the Law 19(I)/2022). Written contribution received from the IAAC in the context of the country visit to Cyprus.

⁹⁵ The Attorney General considered that the police officer, who was called to testify as a witness in the IAAC examination into the allegations of corruption moved against the deputy Attorney General, had the right to remain silent. The IAAC considers that under its legal framework, individuals have an obligation to cooperate with the Authority and reply to all questions, unless their right not to self-incrimination could be compromised. IAAC Press Release and Cyprus Mail (15 May 2024).

⁹⁶ For 2024, the IAAC allocated EUR 3.000 for staff training; EUR 97.000 for participation in conferences and seminars; and almost EUR 1.2 million for the procurement of external inspection experts. Input from Cyprus for the 2024 Rule of Law Report, p. 24.

during 2024)⁹⁷. According to the IAAC, this is expected to improve its effectiveness⁹⁸. In 2023, IAAC adopted regulations for its internal operations⁹⁹, developed relations with its institutional counterparts, and organised awareness and training events¹⁰⁰. While financial resources attributed to IAAC have considerably increased, a lack of sufficient human resources has had an effect on the agency's effectiveness. There has therefore been some progress on the implementation of the recommendation made in the 2023 Rule of Law Report.

Some steps were taken to accelerate the delayed monitoring of the implementation of the National Strategy Against Corruption. In accordance with the law establishing the IAAC¹⁰¹, in July 2023 the monitoring on the implementation of the National Anti-Corruption Strategy was transferred from the Ministry of Justice Office on Transparency to the IAAC¹⁰². The transfer of this task to the IAAC resulted in some delays in the monitoring of the implementation of the National Strategy Against Corruption, namely due to lack of available resources. According to the IAAC¹⁰³, the delays are expected to be solved by the increased of its resources, including the additional staff of 2024¹⁰⁴. In 2023, IAAC also organised a range of activities for discussing potentials for cooperation in the framework of its preventative role and the National Strategy Against Corruption¹⁰⁵. Moreover, the rotation programme of public servants, aimed at preventing corruptive activities, continued to take place¹⁰⁶.

The limited access to relevant information affects the ability of the Audit Office to effectively perform audits on the finance of public institutions. By law, the Audit Office¹⁰⁷ has unrestricted access to the information it deems relevant to audit public entities¹⁰⁸. However, the Audit Office reports that some public authorities under audit, including the police in some cases, do not provide relevant information following the legal advice of the Attorney General¹⁰⁹. Consequently, the effectiveness and accuracy of the audits

⁹⁷ IAAC hired 2 junior public officials and 5 professionals from the private sector (4 lawyers and 1 official for administrative support), all on a one-year term contract. Written contribution from the IAAC in the context of the country visit to Cyprus, p. 1. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 13.

⁹⁸ Information received from the IAAC in the context of the country visit to Cyprus.

⁹⁹ The regulations concern the way IAAC conducts operations. Written contribution from the IAAC in the context of the country visit to Cyprus, p. 2.

¹⁰⁰ For example, in 2023 public awareness activities were carried out by the Commissioner for Transparency through national media, trainings and speeches on implementation of the law on lobbying, anticorruption training for the staff of the Presidency. Input from Cyprus for the 2024 Rule of Law Report, pp. 28-29, and written contribution from the IAAC in the context of the country visit to Cyprus.

¹⁰¹ Law 19(1)2022 of 17 February 2022.

¹⁰² Input from Cyprus for the 2024 Rule of Law Report, p. 28.

¹⁰³ Information received from the IAAC in the context of the country visit to Cyprus.

¹⁰⁴ Written contribution from the IAAC in the context of the country visit to Cyprus, p. 4.

¹⁰⁵ Written contribution from the IAAC in the context of the country visit to Cyprus, p. 4.

¹⁰⁶ Written contribution from the Ministry of Finance in the context of the country visit to Cyprus, p. 1.

¹⁰⁷ The Audit Office of the Republic is an independent body competent to conduct audits in the public sector, for purposes of public reporting, optimal management of public resources and the fight against corruption and interference. The Auditor-General heads the Audit Office and is appointed by the President of the Republic, as per Articles 115, 116 and 117 of the Constitution of Cyprus.

¹⁰⁸ As per the law on Submission of Data and Information to the Auditor General of the Republic (law 113(I) of 2002).

¹⁰⁹ There seems to be a conflict in the interpretation and application of the relevant laws. While the Audit Office considers having, by law, full access to all documentation under audit, the Law Office considers that public

risk being undermined¹¹⁰. The Audit Office considers that the non-disclosure of relevant information by public institutions is becoming a trend¹¹¹. In April 2024, the Attorney General requested to the Supreme Judicial Council the removal for misconduct of the Auditor General¹¹², which is perceived by the latter as direct threat to its institutional independence¹¹³. Additionally, suspicions of corruption were detected during some audits performed last year by the Audit Office, which were then forwarded to the relevant authorities for further consideration and possible investigation¹¹⁴. For the audits where public institutions disclosed complete information, only a small number of the recommendations issued by the Audit Office were fully implemented in a timely manner by the audited authorities¹¹⁵.

The audits on funding of political candidates and parties pointed at some flaws, and the proposal to amend the law on the financing political parties has not yet been adopted. The Audit Office also checks the financial books, including for election campaigns¹¹⁶. Its report from last year on political candidates and parties pointed at substantial legislative and

authorities have the right retain information and documentation considered sensitive and confidential. Information received from the Audit Office and the Law Office in the context of the country visit to Cyprus.

¹¹⁰ Without challenging the legal right of the Audit Office to perform the audit, the fact that part of relevant information is not shared with the auditors, affects the accuracy and effectiveness of the auditing, and may ultimately undermine the independence of the Audit Office. International standards on the independent Supreme Audit Institutions (SAIs) indicate that ‘Unrestricted access to information: SAIs should have adequate powers to obtain timely, unfettered, direct, and free access to all the necessary documents and information, for the proper discharge of their statutory responsibilities’ (as per principle 4 of the 2019 Mexico declaration of the International Organization of Supreme Audit Institutions – INTOSAI), and that ‘(...) adequate legal protection by a supreme court against any interference with a Supreme Audit Institution’s independence and audit mandate shall be guaranteed’ (as per section 5.3 of the 1977 Lima Declaration of the INTOSAI). In 2023, the Audit Office filed a motion to the Supreme Audit Institutions Independence Rapid Advocacy Mechanism (SIRAM) of the INTOSAI, which is expected to render a resolution in 2024. Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 3.

¹¹¹ Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 7. On this matter, in February 2021 the International Organization of Supreme Audit Institutions (INTOSAI) issued a ‘Statement by the INTOSAI development initiative following the potential independence challenges faced by the Audit Office of the republic of Cyprus’, in addition to the EU Contact Committee statement of May 2021 (CC 1/2021) in support of the constitutional role, mandate and independence of the Audit Office of the Republic of Cyprus.

¹¹² According to the Constitution, the Auditor General shall not be removed from office except on grounds of misconduct and by a decision of the Judicial Council (Articles 115 para 3 and 153 para 7).

¹¹³ Audit Office (2024), The Deputy Attorney General announces a petition to the Supreme Court for the dismissal of the Auditor General, Press release of 21 April 2024. Written contribution from the Audit Office in the context of the country visit to Cyprus. International standards on the independent Supreme Audit Institutions (SAIs) support ‘The independence of SAI heads and members (of collegial institutions), including security of tenure and legal immunity in the normal discharge of their duties’ (as per principle 2 of the 2019 Mexico declaration of the International Organization of Supreme Audit Institutions – INTOSAI).

¹¹⁴ Some of the audit reports point at the nexus between Cyprus operating corporations and non-EU oligarchs based in countries to which EU sanctions regimes are applicable. Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 12.

¹¹⁵ Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 11.

¹¹⁶ In accordance with the Political Parties Law n.175(I) of 2012 (and revised 2015), the financial books of political parties, also for national and presidential electoral campaigns (including value and source of donations) are subject to the annual checks by the Audit Office, which publishes reports. Sanctions exist for candidates omitting to file election statements. See also the GRECO Third Evaluation Round Addendum to the Second Compliance Report on Cyprus, on Transparency of Party Funding, adopted in March 2018.

practical flaws¹¹⁷, including on the expenses of the 2023 presidential campaign¹¹⁸. The proposal to amend the law on financing political parties presented in 2022, aimed to prohibit certain contributions from legal and natural persons, remains pending at the Parliament for approval¹¹⁹.

While there are some improvements in the staffing and performance of the authorities investigating corruption, few cases advanced including of high-level corruption, and the number of convictions remained limited. In 2023, the Anti-Corruption Taskforce (under the remit of the Attorney General) developed a database to keep track of corruption cases¹²⁰ and prosecutors attended a training on asset recovery¹²¹. Moreover, additional investigators joined the Financial Crime Investigation Office of the Police¹²², who plans to hire additional investigators in 2024¹²³. The EPPO investigated 1 corruption case in 2023, which accounts for around 11% of the total number of EPPO cases (in Cyprus)¹²⁴. EPPO considers that cooperation with the national authorities would benefit from more stable and better trained resources devoted to EU financial interest investigations¹²⁵. Last year, some pending investigations progressed¹²⁶, 5 new corruption investigations were opened (including 2 against elected officials), and 3 individuals were convicted for corruption (compared to 1

¹¹⁷ The Audit Office indicates that the legislation does not require former political parties to disclose their finances; it is unclear who, within the political party, is in charge to disclose documentation to auditors; President and vice-President are not bound to disclose income earned prior to the election day. The audit reports on the elections of 2021 and 2023 show some practical shortcomings, such as: candidates exceeded spending limits; some expenses were made by third parties; few candidates/political parties failed to file complete financial statements or evidence; some advertising entities failed to report services provided to candidates; political parties misused public funding. Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 14. These concerns are reflected by CSOs, as per input from the Oxygen for Democracy for the 2024 Rule of Law Report, p. 19.

¹¹⁸ According to the Special report issued by the Audit Office in January 2024, and published on its webpage, the Presidential campaign financial records showed some flaws concerning the expenses incurred by third parties; payment in cash above the threshold; and the spending above the limits. This concern was also indicated by some media outlets: among others, the EU Philenews and Cyprus Mail (January 2024).

¹¹⁹ The proposal to amend the law 175(I)/2012 aims to prohibit the contributions from legal and natural persons to political parties, apart from regular contributions from their members. The proposal is at a preliminary stage and its goal is to ensure greater transparency in the financing of political parties. Written contribution from the Ministry of Justice in the context of the country visit to Cyprus, p. 6.

¹²⁰ Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 11.

¹²¹ Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 12.

¹²² The Police now relies on 29 specialised officers in total (i.e., 24 specialized investigators and 5 accountants, divided between the Financial Crime Branch, and the Financial Investigations Branch. Input from Cyprus for the 2024 Rule of Law Report, p. 26.

¹²³ An internal call for secondment was launched by the Police in January 2024, aimed at acquiring additional officials. Information received from the Police in the context of the country visit to Cyprus. See above Pillar I, p. 10. According to Article 36 of the UNCAC, the staff dedicated to combat corruption 'should have the appropriate (...) resources to carry out their tasks', and 'States Parties may also wish to pay attention to the remuneration system applicable to specialized authorities to ensure recruitment and retention of the best available expertise' and 'suitable financial resources and remuneration for staff' is part of their independence' (Technical Guide to the UNCAC, by the UNODC and UNICRI of 2009).

¹²⁴ EPPO (2024) Annual Report 2023, p. 23.

¹²⁵ Written contribution received by the EPPO for the 2024 Rule of Law Report, Annex, p. 16.

¹²⁶ Six cases remain under investigation by the police; 1 case was brought to court, which ended with 2 convictions; and 4 cases were forwarded to the Attorney General – 1 case was closed for lack of evidence, and 2 cases remain pending at the Law Office. Information received from the Police in the context of the country visit to Cyprus.

person in the previous year)¹²⁷. The allegations expressed in the media of corruption linked to illicit funds deposited in Cyprus to avoid the international sanction regimes¹²⁸ are under examination by the Police and the Attorney General¹²⁹. Following the suspension in practice of the Investor Citizenship Scheme¹³⁰, more than 15 prosecutions for corruption linked to this scheme were initiated by the Attorney General¹³¹. Despite these improvements, tangible results on the adjudication of high-level cases of corruption are still missing.

Significant progress was made on the asset declaration system for elected officials since new legislation was adopted, while it remains to enter into force and be effectively implemented. The 2023 Rule of Law Report recommended to Cyprus to “introduce rules on asset disclosure for elected officials to establish regular and comprehensive filing, combined with effective, regular and full verifications”¹³². As noted in the 2023 Report, few high-ranking officials¹³³ and a limited number of elected persons (such as members of the Parliament and the President of the Republic)¹³⁴ are bound to regularly declare only part of their own properties¹³⁵, while other types of civil servants should declare changes in their personal assets¹³⁶. The Specialist Parliamentary Committee, which is responsible for monitoring the declarations from elected officials, reports that no violations occurred in 2023. The Asset Declaration Council, which is responsible for monitoring declarations from about

¹²⁷ The convictions relate to procedures opened in 2021 and 2022. Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 11.

¹²⁸ International Consortium of Investigative Journalists, Cyprus ignores Russian atrocities, Western sanctions to shield vast wealth of Putin allies, 14 November 2023; EURACTIV, Cyprus pledges to probe Russia sanction busting allegations, 15 November 2023; Le Monde, How dirty money and Russian riches flow through Cyprus, a gateway to the EU, 14 November 2023.

¹²⁹ The Law Office, police and investigators are meeting regularly on this topic. The Office remains in communication with investigative counterparts from the EUROPOL and the US Department of Justice, in consideration of enhancing collaboration into cross-country financial investigations, including on corruption. Information received from the Law Office in the context of the country visit to Cyprus. Two special interinstitutional committees were created to prevent the possible circumvention of sanction regimes. Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 16.

¹³⁰ The scheme’s legal framework has not been abolished yet. The infringement procedure launched in October 2020 concerning Cyprus’ scheme is ongoing. See also, 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 17.

¹³¹ More precisely: 3 cases were brought to court and are pending; 2 prosecutions (including on high ranked officials), were completed with request to open trial; and one case was concluded with acquittal by a first instance court (against which the Attorney General filed an appeal). Written contribution from the Audit Office in the context of the country visit to Cyprus, pp. 18 and 2, in addition to the information received from the Law Office in the context of the country visit to Cyprus.

¹³² In the 2023 Rule of Law Report, the Commission concluded that no progress was made on introducing rules on asset disclosure for elected officials to establish regular and comprehensive filing, combined with effective, regular and full verifications. 2022 and 2023 Rule of Law Reports, Country Chapter on the rule of law situation in Cyprus, p. 2.

¹³³ As per Law 50(I) of 2004, high-ranking officials include Director Generals of the Parliament, the Ministries, the Accountant General and the Deputy Accountant General, as well as the Secretary of the Council of Ministers, whereas the top officials of the Law Office, the Attorney General and the Deputy Attorney General were not bound to declare their asset. 2022 and 2023 Rule of Law Reports, Country Chapter on the rule of law situation in Cyprus, p. 16.

¹³⁴ As per Law (49 (I) of 2004.

¹³⁵ The existing asset declaration requirement for members of the Parliament does not cover all forms of assets above a certain threshold, including immovable property.

¹³⁶ According to the Law on Public Service 1 of 1990 (Article 66), public servants shall submit a declaration regarding any changes in their personal assets, including their spouse and family dependents. The inaccuracy in declaring is subject to disciplinary measures.

1 000 high-ranking officials reports full compliance for 2023, and 350 cases of delay in filing declarations for 2022¹³⁷. There is still no data available on the asset declarations filed by other civil servants¹³⁸. After parliamentary discussions on amendments to digitalise the filing and verification of asset declarations and establish a longer list of declarants and assets to declare¹³⁹, new legislation was adopted in July 2024 and will enter into force in September 2024¹⁴⁰. In July 2023, the judiciary introduced its own regulatory framework on asset disclosure¹⁴¹, and since November 2023 all judges file their asset declarations to the office of the President of the Constitutional Court¹⁴². While new measures on the material and personal scope of the asset declarations, as well as their verification, were adopted in July 2024 in response to the concerns raised in the previous Rule of Law reports¹⁴³, the entry into force of the legislation is foreseen for September 2024, and its proper implementation for the effective, regular and full verifications remains to be seen. Thus, there has been significant progress on the recommendations made in the previous years.

Lobbying measures started to be implemented, and rules on conflicts of interest for members of Parliament continue to be monitored. Since November 2023, ‘lobbyists’ can register on the lobbying registry held by IAAC¹⁴⁴, since March 2024 the lobbying legislation came into full force and ‘lobbying activities’ shall be filed too¹⁴⁵, and in April 2024 IAAC issued guidelines and circulars for the lobbyists and officials as to implement lobbying measures¹⁴⁶. In 2023, the parliamentary Special Committee on Ethics which monitors the

¹³⁷ For the delays of 2022, fines between EUR 200 and 1.000 were issued, plus a penalty of EUR 5-10 per day of further delay. Written contribution from the Ministry of Justice in the context of the country visit to Cyprus, p. 4.

¹³⁸ The absence of data also concerns the sanctions issued for the violations encountered.

¹³⁹ The amendments to the two laws on asset declarations (namely Law 49(I) and law 50(I) of 2004) included the following elements: declarations will be filed electronically (the e-portal is expected to be interconnected with other relevant governmental databases); Sanctions for omitted or inaccurate declarations; Verification performed by the Tax Authority; Extension of the scope of the declaration, to include a) senior advisers b) dependent family members and c) all properties (including movable assets). Written contributions from the Parliament and the Ministry of Justice in the context of the country visit to Cyprus, pp. 2-3 and 3, respectively. Input from Cyprus for the 2024 Rule of Law Report, p. 24.

¹⁴⁰ Written contribution from the Ministry of Justice in the context of the country visit to Cyprus.

¹⁴¹ The judiciary opted for self-regulation. The Supreme Constitutional and Supreme Courts issued the Common Regulation on Asset Declaration and Control of 2023. According to the new rules, all judges need to submit a detailed declaration encompassing income, immovable and movable property, company shares, savings, income from capital, insurance and debts, including for spouses and underage children. Declarations need to be amended only in case of changes in assets and liabilities. The declarations are not published, as the judiciary considers that such disclosure would not serve transparency, but rather pose risks to the integrity and dignity of judges.

¹⁴² The President and judges of the Supreme Constitutional Court submit their declarations to the President of the Supreme Court.

¹⁴³ 2020, 2021, 2022 and 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 8, 9, 10 and 15, respectively.

¹⁴⁴ Following a public awareness event organised by IAAC in December 2023, IAAC received and responded to about 40 clarification requests and 13 lobbyists filed their registration (6 requests were approved, and 7 are pending). Applications will be examined and, if approved, persons or legal entities will be registered, and will sign the code of conduct. Information is available on the IAAC website (www.iaac.org.cy), including an explanatory note, and forms. Input from Cyprus for the 2024 Rule of Law Report, p. 32.

¹⁴⁵ Lobbying activities must be declared by both the lobbyists and public officials meeting lobbyists. Written contribution from the IAAC in the context of the country visit to Cyprus, p. 3.

¹⁴⁶ The guidelines are published on the website of IAAC. The first circular was issued and published on the website on the 7 February 2024. Written contribution from the IAAC in the context of the country visit to Cyprus.

implementation of the code of conduct of Members of Parliament and Ministers¹⁴⁷, examined three cases on ethical conduct, which were declared inadmissible¹⁴⁸. When it comes to the public service, some rules on conflicts of interest exist in different sectoral laws, but there is no initiative planned towards a comprehensive regulation on conflict of interest for all State officials¹⁴⁹. There is no information concerning the implementation of the existing measures on conflict of interests for public officials (i.e., number of declarations filed or examined, nor any type of violation found)¹⁵⁰. The non-binding guide of conduct for civil servants (of 2013) is under review by an inter-institutional group, in light of the laws on transparency and anti-corruption that were adopted in recent years¹⁵¹.

Integrity rules for top level executive functions are under discussion, and no changes are foreseen for Members of Parliament. In 2023, some concerns remained about some of the integrity measures applicable to the persons performing top executive functions¹⁵², including the President of the Republic and Ministers¹⁵³. In 2023, the application of the so called ‘revolving doors’ measures was extended to cover more types of government officials¹⁵⁴. The Government indicated that, while there is no plan to review measures applicable to Members of Parliament, an inter-service group was created to discuss a bill for the implementation of the recommendations for top executive functions, which is expected to

¹⁴⁷ CSOs raised concerns on the delay taken to fully implement lobbying measures, in addition to the mildness of sanctions foreseen by the code of conduct for senior officials, including Ministers and MPs. The sanctions for breaking the code of conduct for MPs go from a verbal reprimand to a demand for a public apology, plus reparation of the offended party (as per code of conduct for MPs, section V, Article 15, page 6). Input from the Oxygen for Democracy for the 2024 Rule of Law Report, pp. 18-19.

¹⁴⁸ There was no examination of cases of conflicts of interest (compared to 3 cases in 2022). Written contribution from the Parliament in the context of the country visit to Cyprus, p. 3. So far, the Special Committee on Ethics of the Parliament, which is composed by MPs appointed by political affiliation, not based on specific expertise on ethics, issued only one oral reprimand (in 2021). Information received from the Parliament in the context of the country visit to Cyprus.

¹⁴⁹ Written contribution from the Parliament in the context of the country visit to Cyprus, p. 3. CSOs indicate the non-binding nature of the code of conduct for public officials. Input from the Oxygen for Democracy for the 2024 Rule of Law Report, p. 20.

¹⁵⁰ Information received from the Ministry of Justice in the context of the country visit to Cyprus.

¹⁵¹ The Ministry of Finance, Ombudsperson, and the Law Office are reviewing the guide on ethics that was issued in 2013 by the Public Administration and Personnel Department and the Ombudsperson’s Office, in consideration of the laws on the creation of the IAAC, on lobbying and on whistleblowers protection, among others. Information received from the Ministry of Finance in the context of the country visit to Cyprus.

¹⁵² Recommendations concern rules of conducts, conflicts of interests, verification of financial disclosures¹⁵², integrity checks, risk assessment, code of conduct, awareness raising, access to information, interaction with lobbyists, post-employment regime, with appropriate resources allocated to the Independent Authority against Corruption. GRECO (2023) Fifth Evaluation Round Evaluation Report on Cyprus, pp. 65-66. The verification of asset declarations is a point of concern for civil society. Input from the Oxygen for Democracy for the 2024 Rule of Law Report, p. 16.

¹⁵³ According to GRECO, persons with top executive functions (PTEFs) includes: the President, ministers and deputy ministers, the Secretary of the Council of Ministers, commissioners, government spokespersons and deputy spokespersons, director of the Office of the President, director of the Press Office of the President, advisors to the President and individual consultants and associates, who are hired at the discretion of central government to give advice. GRECO (2023) Fifth Evaluation Round Evaluation Report on Cyprus, p. 15.

¹⁵⁴ The Law regulating employment to private sector by former government officials and certain former officers of the Public and Wider Public Sector (114(I)/2007), was extended to include Judges, the Attorney and the Deputy Attorney General, the Chief and the Deputy Chief of the National Guard, the Chief of the Fire Service, and the members of the Fire Service, the Security Services and the Armed Forces. Input from Cyprus for the 2024 Rule of Law Report, p. 30.

be approved by the Parliament in 2024¹⁵⁵. As regards the integrity measures applicable to the Members of Parliament, there are concerns as regards the strength of rules for the transparency of their remuneration and acceptance of gifts, the code of conduct, asset declarations and verifications, as well as on conflicts of interests¹⁵⁶.

While integrity measures exist for police officers and judges, and new tools were developed, some concerns were raised about the oversight and accountability system of the national police. In 2023, the national police developed internal and external channels for submitting and following up on reports, under the competence of the Professional Standards and Inspection Directorate (PSID), which is responsible for ensuring the professional conduct of police officers¹⁵⁷. The Police Internal Affairs Service (PIAS) received 95 reports with allegations of misconduct of police officers (same as in 2022), examined 16 cases (compared to 22 in 2022) none revealing corruption, and 8 cases remain pending for further investigation¹⁵⁸. In 2023, some concerns were raised about the robustness of oversight and accountability mechanism of the police¹⁵⁹. Newly recruited judges receive training on judicial ethics provided by the academy of judiciary¹⁶⁰.

Structures and guidelines have been developed to handle whistleblowing reports. Last year, the Ministry of Justice published on its website the list of authorities competent to

¹⁵⁵ The inter-service group is composed by the Ministry of Justice, the Presidency of the State, the Head of the Cypriot delegation to GRECO and the IAAC. Information received from the Ministry of Justice in the context of the country visit to Cyprus.

¹⁵⁶ GRECO recommended to clearly regulate all forms of remuneration for MPs; to adopt a code of conduct for MPs; to regulate acceptance by MPs of gifts, hospitality and other benefits, including appropriate internal procedures; to improve asset declaration system as to ensure completeness of assets declared (including of spoused and dependent family members), and prompt publication of the declarations; to subject assets declaration to independent and effective verification mechanism; to develop initiatives to prevent conflicts of interest, with awareness raising, informative material and regular training, as well as confidential counselling. GRECO (2024), Fourth Evaluation Round Second Addendum to the Second Compliance Report on Cyprus. While the adoption of the Second Addendum to the Second Compliance Report terminates the GRECO Fourth-Round compliance procedure in respect of Cyprus, the authorities of Cyprus may wish to inform GRECO of further developments with regard to the implementation of the outstanding recommendations. Asset declarations and verifications is a point of concern for civil society. Contribution from Oxygen for Democracy for the 2024 Rule of Law Report, p. 19.

¹⁵⁷ The Director of PSID is administratively subordinated to the Deputy Chief of Police, and it is responsible to ensure professional standards of police officers (also through *ex officio* inspections, and the evaluation of their external activities). Input from Cyprus for the 2024 Rule of Law Report, p. 41. In 2023 PSID investigated 27 cases and checked 23 Police Stations. Written contribution from the Police in the context of the country visit to Cyprus, p. 1.

¹⁵⁸ Written contribution from the Police in the context of the country visit to Cyprus.

¹⁵⁹ In its report of October 2023, GRECO recommended to adopt an integrity policy, with both in-service training on anticorruption, and confidential advice on ethics for the police, in addition to stronger procedures to vet, select, appoint and dismiss officers, including the top management, as the Chief and the Deputy Chief, and obligation to declare finances based on risks. GRECO (2023) Fifth Evaluation Round Evaluation Report on Cyprus, pp. 66-67. GRECO also recommended to consider centralising the lodging of complaints, with clear guidelines; strengthening whistleblower protection, including through dedicated reporting and advisory channels, accompanied by training for all police ranks and regular information on available legal remedies, and establishing a process that ensures that cases are decided in a timely and consistent manner and that misconduct is effectively punished. Cyprus will have to submit a report on the measures taken to implement the recommendations for the top executive functions and the police by 31 December 2024. GRECO (2023) Fifth Evaluation Round, Evaluation Report on Cyprus, para 264.

¹⁶⁰ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 17.

receive whistleblowing reports¹⁶¹, and developed a form and guidelines for the competent authorities on how to handle whistleblowing complaints¹⁶². In 2023, the Cyprus Academy of Public Administration designed an e-course for public servants on fighting corruption and whistleblowing protection¹⁶³. Since the entry into force of the law on the protection of whistleblowers in February 2022, the competent authorities received 12 external reports¹⁶⁴.

Specific initiatives have been taken to counter the high risks of corruption in public procurement and local administrations. In December 2023, the Council of Ministers adopted a set of guidelines to oversee the implementation of projects related to the national Recovery and Resilience Plan (RRP), including a measure to strengthen the verification of public procurement against corruption¹⁶⁵. Businesses' attitudes towards corruption in the EU show that 61% of companies in Cyprus (EU average 27%) think that corruption has prevented them from winning a public tender or a public procurement contract in practice in the last three years¹⁶⁶. The Ministry of Justice and Public Order is promoting an incentive scheme for the implementation of the international standard against bribery and corruption in the private and public sectors, including local administrations¹⁶⁷.

III. MEDIA PLURALISM AND MEDIA FREEDOM

Freedom of expression and the right of access to information find legal and formal protection in the Constitution¹⁶⁸. Legislation expressly ensures protection of journalistic sources, fosters media pluralism in the radio and television sector, enshrines the formal independence of the media regulator and details the right of access to public sector information. The Law on the Cyprus Broadcasting Corporation (CyBC) lays down rules on the governance and financing of public service television and radio¹⁶⁹.

¹⁶¹ Input from Cyprus for the 2024 Rule of Law Report, p. 35.

¹⁶² Input from Cyprus for the 2024 Rule of Law Report, p. 35.

¹⁶³ The course includes elements of risks related to corruption, institutional framework for dealing with corruption at the international and national level; links between corruption and professional integrity; standard procedures to mitigate corruption; as well as the legislation on whistleblowers protection (such as the Directive 2019/1937/EU of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report violations of Union law, and the Law of 2022 (6(I)/2022) On the Protection of Persons Reporting Violations of Union and National Law. Input from Cyprus for the 2024 Rule of Law Report, p. 30.

¹⁶⁴ The competent authorities were able to provide statistics on external whistleblower reports, for the first time in 2023. Written contribution from the IAAC in the context of the country visit to Cyprus. Civil society organisations lament the lack of expertise and capacity of institutions in charge of implementing whistleblowing measures. Information received in the context of the country visit to Cyprus.

¹⁶⁵ The Guidelines incorporate a risk-assessment methodology applied to all administrative authorities and ad-hoc, including improved procedures against fraud and conflicts of interests in public procurement, a revised policy for countering fraud, and the second fraud risk-assessment and action plan for the RRP. Input from Cyprus for the 2024 Rule of Law Report, p. 37. RRP projects are subject to regular auditing by the Audit Office. Written contribution from the Audit Office in the context of the country visit to Cyprus, p. 12.

¹⁶⁶ Flash Eurobarometer 543 on Businesses' attitudes towards corruption in the EU (2024). This is 34 percentage points above the EU average.

¹⁶⁷ This concerns the application of the ISO 37001 standard for anti-bribery management systems. Input from Cyprus for the 2024 Rule of Law Report, p. 40.

¹⁶⁸ Articles 19 and 29, respectively, of the Constitution of the Republic of Cyprus.

¹⁶⁹ Cyprus ranks 65th in the 2024 Reporters without Borders World Press Freedom Index compared to 55th the previous year.

Cyprus' media regulator, which is an independent Authority, is governed primarily by the Radio and Television Broadcasters Law as well as the Cyprus Broadcasting Corporation Law. The Cyprus Radio Television Authority (CRTA), the regulator for audio-visual media services, is functionally and effectively independent¹⁷⁰. The Media Pluralism Monitor (MPM) confirms its low risk score for the independence of the media regulator although it points out, once more, that the selection criteria for appointment of members of the CRTA board by the Government remain very generic and that while the Radio and Television Broadcasters Law obliges CRTA to submit an annual activity report to the President of the Parliament, the report is not made public¹⁷¹.

There have been no further regulatory changes to the framework relating to transparency of media ownership. While the 2021 amendments to the Radio and Television Broadcasters Law brought about some improvements in relation to beneficial ownership transparency for broadcast media¹⁷², other media sectors – digital and print – remain unregulated in this respect. A 2023 amendment to the Radio and Television Broadcasters Law adjusted certain ownership limits which must be adhered to in case of licensed broadcasters as well as rules on cross-ownership and abrogated certain previously established ownership restrictions¹⁷³. In view of these factors, MPM 2024 has increased its risk evaluation for this area within the high-risk band as the latter development is likely to make it even more difficult for CRTA to ensure respect of ownership information transparency under the Radio and Television Broadcasters Law¹⁷⁴. In Cyprus, the media regulatory authority has no power of review of media mergers and acquisitions. The Minister responsible may, prior to the decision of the competition authority, declare that a notified concentration is deemed to be of major public interest as regards the effect it may have on the public security, the pluralism of the media or the principles of sound administration¹⁷⁵.

There has been no development to address the lack of legislation and transparency in the field of state advertising. The 2023 Rule of Law report recommended to Cyprus to 'adopt legislation to ensure fair and transparent distribution of advertising expenditure by the state and state-owned companies'¹⁷⁶. Government continues to implement a set of guidelines – based on various criteria such as audience and readership share – in relation to amounts distributed to media companies for the publication of information campaigns managed by the government's press and information office¹⁷⁷. Information published by the Treasury includes data of companies who operate media outlets, irrespective of their nature, based on the Law on Accounting, Financial Management and Financial Control of the Republic¹⁷⁸. Information published on the Treasury's website is not classified according to individual media outlets but according to holding companies¹⁷⁹. For these reasons stakeholders continue to consider that

¹⁷⁰ 2022 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 12.

¹⁷¹ 2024 Media Pluralism Monitor, country report for Cyprus pp. 14-15.

¹⁷² 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 18.

¹⁷³ Law 87(I)23 of 28 July 2023 amending Article 19 of Law 7(I)/98 on Radio and Television Broadcasters.

¹⁷⁴ 2024 Media Pluralism Monitor, country report for Cyprus, pp. 16-17.

¹⁷⁵ Article 5 and Articles 36-39 of the Control of Concentration between Undertakings Law 83 (I) of 2014. In such cases, the case is referred to the Council of Ministers which may officially approve or not approve the concentration in question.

¹⁷⁶ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 2.

¹⁷⁷ 2022 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 13.

¹⁷⁸ Law 38 (I) of 2014.

¹⁷⁹ Information received from media CSOs in the context of the country visit to Cyprus.

the area lacks real transparency¹⁸⁰. Together with other factors, such as serious economic difficulties impacting the media sector, this could have a negative impact on editorial freedom and independence in Cyprus. The Media Pluralism Monitor continues to rank this area at medium risk decreasing its risk evaluation based on the authorities' furnishing of the criteria utilised for the distribution of state advertising¹⁸¹ following a decision by the Information and Data Protection Commissioner with regard to the categories of information which the Press and Information Office shall consider public. Considering the above, there has been no progress on the recommendation made in the 2023 Rule of Law Report.

Some further progress has been made with regard to the independent governance of public service media. The 2023 Rule of Law report recommended to Cyprus to advance with the process aimed at strengthening the rules and mechanisms to enhance the independent governance of public service media taking into account European standards on public service media¹⁸². Consultations have advanced between the Government, the Cyprus Broadcasting Corporation and the CRTA on the modernisation of the Law on the Cyprus Broadcasting Corporation. A draft bill that aims at modifying the system of appointment and dismissal of members of CyBC's Board and establishing stricter eligibility conditions has been circulated to the relevant authorities¹⁸³. According to the draft, appointments would only be possible following an open call for applications and any dismissal of a board member would need to be duly justified. While awaiting further progress on this bill, the Media Pluralism Monitor once more highlights that the current situation permits state and political party influence on CyBC's operations and programming, thereby maintaining its high-risk score for this area¹⁸⁴. While the concerns raised in the 2022 and 2023 Rule of Law Reports¹⁸⁵ and by MPM persist, the above-mentioned discussions represent some further progress with regard to the recommendations made in the previous years to enhance the independent governance of public service media¹⁸⁶.

An information campaign was launched with the aim of raising awareness on the public's right to access information, but implementation challenges persist. While the legislative framework, namely Law 184(I)/2017, is in place and its implementation is efficiently overseen by the Information Commissioner, certain challenges persist in particular with regard to frequent delays in the processing of applications, the application in practice of the exceptions to the right to access information, as well as the interplay of the above-mentioned framework law with other laws and regulations regulating specific authorities¹⁸⁷.

¹⁸⁰ Information received from the Union of Cypriot Journalists and the Institute for Mass Media in the context of the country visit to Cyprus.

¹⁸¹ 2024 Media Pluralism Monitor, country report for Cyprus p. 22.

¹⁸² In the 2023 Rule of Law Report, the Commission concluded that some progress was made on strengthening the rules and mechanisms to enhance the independent governance of public service media taking into account European standards on public service media. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 2.

¹⁸³ Information received from Cyprus in the context of the country visit to Cyprus.

¹⁸⁴ 2024 Media Pluralism Monitor, country report for Cyprus p. 22.

¹⁸⁵ 2022 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 13-14 and 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 19.

¹⁸⁶ According to the European Parliament's Flash Eurobarometer: News & Media Survey 2023, 45% of respondents in Cyprus stated that they trust public TV and radio stations, below the EU average of 48%.

¹⁸⁷ These findings tally with GRECO (2023) Fifth Evaluation Round Preventing corruption and promoting integrity in central governments (top executive functions) and law enforcement agencies Evaluation Report on Cyprus, paras 64-73.

While MPM 2024 maintains its analysis that the system leaves room for arbitrariness, it has decreased its risk evaluation for this area from high to medium risk as certain denial of access decisions in relation to state advertising issues appear to have been reversed¹⁸⁸. GRECO recommended to Cyprus to conduct a thorough analysis of the challenges in the implementation of the law and to take additional measures to improve public access to information and a culture of openness within the public authorities, where necessary. The Information Commissioner launched an information campaign at the beginning of 2023, in collaboration with the government's press and information office, to raise awareness among the public in relation to the right to access public information¹⁸⁹. The Information Commissioner points out that the majority of complaints received by her office – very few of which are lodged by journalists – are resolved following the office's intervention¹⁹⁰.

A previously tabled bill aimed at providing a legal framework for press freedom¹⁹¹ has been put on hold following consultations. Following consultations – including with media organisations and the Media Ethics Commission – which concluded that certain aspects of the bill could have had adverse effects on media freedom, the draft Law on the Safeguarding of Freedom of the Press and the Operation of the Media has been put on hold. As a response to the 2021 violent attack on the offices of an independent television station¹⁹², in 2023 the police established a permanent special anti-riot squad to deal with similar incidents¹⁹³. The Council of Europe's Platform to promote the protection of journalism and safety of journalists has published no alerts since the publication of the 2022 Rule of Law Report, relating to Cyprus¹⁹⁴. The MPM has slightly increased its risk evaluation for this area within the medium risk band in the light of economic challenges impacting the sector, including the precarious employment situation of many journalists and the absence of updated legal protection¹⁹⁵. Journalists reported that they do not face physical threats¹⁹⁶. In February 2024, following the publication of an investigative article, based on leaked confidential documents in relation to alleged mismanagement in a large energy project, the Attorney General issued a statement recalling that the leaking of classified documents is a criminal offence, punishable by up to seven years in prison. The Union of Cypriot Journalists issued a press release condemning the Attorney General's statement as a direct threat to the journalistic community¹⁹⁷.

IV. OTHER INSTITUTIONAL ISSUES RELATED TO CHECKS AND BALANCES

The Republic of Cyprus is a presidential representative republic. The President of Cyprus is both Head of State and Head of Government. The House of Representatives is the Parliament, which is vested with legislative power. Both representatives and ministers have the right of legislative initiative. The Supreme Constitutional Court is competent to assess the

¹⁸⁸ 2024 Media Pluralism Monitor, country report for Cyprus p. 13

¹⁸⁹ Ibid.

¹⁹⁰ Written contribution from the Information Commissioner in the context of the country visit to Cyprus.

¹⁹¹ 2022 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 14.

¹⁹² Ibid.

¹⁹³ Input from Cyprus for the 2024 Rule of Law Report.

¹⁹⁴ Council of Europe, Platform to promote the protection of journalism and safety of journalists.

¹⁹⁵ 2024 Media Pluralism Monitor, country report for Cyprus p. 14

¹⁹⁶ Written contribution from the Union of Cypriot Journalists in the context of the country visit to Cyprus.

¹⁹⁷ Union of Cypriot Journalists, Press release of 16 February 2024.

constitutionality of laws in the context of specific cases brought before it¹⁹⁸. There are a number of national independent authorities, organisations and institutions that aim to protect and safeguard human rights.

Some further progress was made to improve effective and timely consultation of stakeholders in the legislative process with the launch of the e-consultation platform, but further measures are needed for meaningful public consultation. The 2023 Rule of Law Report recommended to Cyprus to ‘proceed with the adoption of the framework for the effective and timely consultation of stakeholders in the legislative process and ensure its implementation’¹⁹⁹. The electronic platform for public consultations, called e-consultation, was launched in January 2024²⁰⁰, replacing the previous practice where public consultations were dispersed across the websites of different ministries²⁰¹. The revised Consultation Guide, addressed to public servants involved in the process of law-making, was also adopted in December 2023 and published on the website of the platform. The Guide provides for a minimum period of four weeks of public consultation and a detailed layout of the consultation process without, however, addressing any of the shortcomings identified in the 2023 Rule of Law Report²⁰². Public consultations have started to systematically be launched, though the comments received are still very limited²⁰³. Parliament also invites stakeholders to meetings of its standing committees to present their views during debates on legislative proposals²⁰⁴. However, this practice appears not to be systematic, nor governed by clear rules²⁰⁵. The Cyprus Employers and Industrialists Federation expressed its overall satisfaction with the level of participation of social partners in the law-making process²⁰⁶. On the contrary, Civil Society Organisations (CSOs) expressed their discontent resulting mainly from the lack of feedback and recognition of their expertise and contributions, creating mistrust and discouraging them from participating in similar activities in the future²⁰⁷.

¹⁹⁸ See Section I of the Report. The Supreme Constitutional Court can hear cases, notably from the civil and criminal courts, via a system of leave to appeal by referral from an ordinary court of “questions of constitutionality which are essential to the determination of the case pending before it” (Article 9 (a) Administration of Justice (Miscellaneous Provisions) Law. Before the re-establishment of the Supreme Constitutional Court, the Supreme Court heard unconstitutionality claims. See also 2021, 2022 Rule of Law Reports, Country Chapter on the rule of law situation in Cyprus, p. 11, 14 and 11.

¹⁹⁹ In the 2023 Rule of Law Report, the Commission concluded that some progress was made on the on establishing a framework for the effective and timely consultation of stakeholders in the legislative process. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 2.

²⁰⁰ Minutes of the meeting of the Council of Ministers dated 4 January 2024.

²⁰¹ See 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 21-22.

²⁰² These include the discretion to choose between public and targeted consultation without clear criteria and the absence of any obligation for the competent services to provide feedback to participants, See 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 21-22.

²⁰³ CSOs pointed to the fact that the launch of the platform was not officially announced or sufficiently publicised. Information received from NGO Support Centre, Civil Advocates and KISA in the context of the country visit to Cyprus.

²⁰⁴ Written contribution from Parliament in the context of the country visit to Cyprus, p. 1.

²⁰⁵ Information received from Parliament, Oxygen for Democracy, NGO Support Centre, Civil Advocates and KISA and OPEK in the context of the country visit to Cyprus. Members of the relevant parliamentary committees usually suggest which stakeholders should be heard during the debates.

²⁰⁶ Information received from the Cyprus Employers and Industrialists Federation (OEB) in the context of the country visit to Cyprus.

²⁰⁷ Contribution from NGO Support Centre p. 18; Civil Society Advocates (2023), Report Civil Society Organisations (CSOs): Challenges in relation to the legal operational framework and recommendations for creating an enabling environment for CSOs in Cyprus, pp. 39-40. In the survey conducted by Civil Society

GRECO considered the launching of the platform an encouraging development, while it recommended to monitor its implementation to ensure consistency²⁰⁸. The launching of the platform is a positive step, but further measures are needed to ensure a meaningful public participation and contribution to building an open government culture. Such measures setting clear criteria on when public consultations should be conducted²⁰⁹, publishing supporting documents that would allow participants to better understand the scope and extent of legislative proposals²¹⁰, and providing effective feedback to respondents²¹¹. Overall, building on the progress assessed in the 2023 Rule of Law Report²¹², there has been some further progress on the implementation of the recommendation made in the 2023 Rule of Law Report.

Challenges regarding the quality of law-making remain. Performance on the OECD indicators on regulatory governance and policy is well below the EU average²¹³. Factors that weaken the quality of legislation include overregulation and lack of *ex post* evaluation of policies²¹⁴. In Cyprus, 25% of the surveyed companies perceive the frequent changes in legislation or concerns about quality of law-making process as a reason for the lack of confidence in investment protection (36% in 2023)²¹⁵. Stakeholders consider that the transparency of the legislative process in the parliamentary committees needs to be enhanced²¹⁶. Furthermore, as no clear deadlines are provided in Parliament's rules of

Advocates in the context of the above-mentioned Report, 80% of participating CSOs found the way public consultations are conducted not at all or slightly satisfactory (Graph 5.4, p. 27).

²⁰⁸ GRECO (2023) Fifth Evaluation Round Preventing corruption and promoting integrity in central governments (top executive functions) and law enforcement agencies Evaluation Report on Cyprus, paras 74-76. GRECO addresses recommendation vii: “putting in place an institutionalised mechanism to monitor the quality of the consultation process in order to ensure relevant and timely stakeholder involvement in policy/regulatory development”.

²⁰⁹ Public consultations are not compulsory. It is upon the discretion of the competent service to decide whether to proceed with a public consultation or to opt for a targeted consultation, thus only engaging with specific groups, as the draft Guide does not include criteria in this respect. See 2023 Rule of Law Report, country chapter on the rule of law situation in Cyprus, pp. 21-22. In October 2023, Parliament started discussions before the standing committee of Legal Affairs, Justice and Public Order on a proposal for a draft bill submitted in 2022 by a member of Parliament aiming to make public consultations compulsory.

²¹⁰ This is in particular the case with explanatory reports and/or impact assessments. In its 2023 Recommendation on promoting the engagement and effective participation of citizens and civil society organisations in public policy-making processes, the Commission recommends, amongst other, to Member States to provide the widest possible access to information and to key documents both offline and online, including through the websites of the relevant public authorities, and proactively and widely disseminate such information to the public, in an accessible language, free of charge and without undue administrative obstacles (Commission Recommendation of 12.12.2023, C(2023) 8627 final, p.10).

²¹¹ It is critical for respondents to know how, and to what extent, their input has been taken into account and to understand why certain suggestions have not been taken up. It contributes to the overall transparency of the policymaking, enhances its accountability and credibility, and potentially leads to better responses to future consultations, European Commission (2021), Better Regulation Guidelines, SWD(2021) 305 final. See also, OECD (2022), OECD Guidelines for Citizen Participation Processes, pp.60-61.

²¹² In the 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p.2, the Commission considered that ‘some progress’ had been made on the recommendation addressed in the 2022 Rule of Law Report.

²¹³ OECD (2022), Indicators of Regulatory Policy and Governance – Cyprus; See also, 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 22-23.

²¹⁴ European Semester, 2024 Country Report – Cyprus, SWD (2024) 613 final, Annex 13, p. 60.

²¹⁵ Figure 56, 2024 EU Justice Scoreboard.

²¹⁶ Information received from Oxygen for Democracy, OPEK, Citizens’ Initiative Pothen Esches in the context of the country visit to Cyprus. According to the Rules of Procedure of Parliament, the meetings of the

procedure²¹⁷, draft legislation can remain pending before Parliament for years²¹⁸. The creation of the e-legislation platform faces delays²¹⁹ but once completed, it will improve legal certainty and transparency.

The Ombudsperson is undertaking an additional role in monitoring compliance with fundamental rights in the implementation of EU funds. The Ombudsperson is accredited with ‘A’ status by the UN Global Alliance of National Human Rights Institutions (GANHRI)²²⁰. The role of monitoring compliance of the implementation of EU funded programmes with the EU Charter of Fundamental Rights in the framework of the ‘Horizontal Enabling Condition on the Charter’²²¹ was added to the Ombudsperson’s already broad mandate in September 2023²²². The Ombudsperson is involved both in an advisory capacity in the drafting of programmes²²³ and acts as a complaint mechanism²²⁴. This additional role is considered challenging as it impacts on the already heavy workload of the Office and could

committees at the stage of the adoption of a final position/decision are always held in camera. Minutes of the meetings are kept in summary and are in principle confidential (Articles 46-47).

²¹⁷ Information received from Parliament in the context of the country visit to Cyprus.

²¹⁸ Information received from Parliament in the context of the country visit to Cyprus.

²¹⁹ Investment C3.412 of the National Recovery and Resilience Plan concerns the digitalisation of the law-making process and is expected to be completed by 31 December 2025. The project is also supported by the Technical Support Instrument. The public procurement and the award of the contract for the development of the platform were scheduled to be completed by the end of 2023 (2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 21-22), but the invitation for tenders was only published in late February 2024. Information received from the Ministry of Finance in the context of the country visit to Cyprus.

²²⁰ Global Alliance of Human Rights Institutions, Sub-Committee on Accreditation (SCA), Report, October 2022, pp. 14-15. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 23.

²²¹ Member States must ensure respect for fundamental rights and compliance with the Charter when implementing the eight funds covered by the Common Provisions Regulation (Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, OJ L 231, 30.6.2021, p. 159). Under the Common Provisions Regulation, Member States must fulfil throughout the entire programming period all enabling conditions, including the horizontal enabling condition on the Charter to have all related expenditure reimbursed. The horizontal enabling condition on the Charter requires Member States to establish effective mechanisms so that the programmes and their implementation comply with the Charter.

²²² Decisions nos. 92.280 of 30/03/2022, 94.440 of 22/02/2023 and 95.251 of 13/09/2023 of the Council of Ministers. The mandate includes being the Equality Body, in charge of combating discrimination and promoting equality, the National Preventive Mechanism under the Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT), the National Monitoring Mechanism under the Convention on the Rights of Persons with Disabilities (CRPD) and the Mechanism for the Monitoring of the Procedures of Forced Returns of third-country Nationals. 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p.22.

²²³ The Ombudsperson provides written guidance and advice to the managing authority/intermediate body as to the compliance of the co-funded programmes with the provisions of the Charter and, if a possible violation of the programmes in relation to any provision is found, the Ombudsperson can address recommendations to align the programmes with the provisions of the Charter. It is the responsibility of the managing authority/intermediate body to ensure compliance with the Ombudsperson’s recommendations. Written contribution from Cyprus in the context of the country visit to Cyprus; The Office of the Commissioner for Administration and the Protection of Human Rights (2023), The role of national bodies with a human rights remit in ensuring fundamental rights compliance of EU funds.

²²⁴ Input from Cyprus for the 2024 Rule of Law Report, pp. 52-53, Fundamental Rights Agency of the European Union (2023), EU Funds Ensuring compliance with Fundamental Rights, Report p. 55.

require reinforcement in terms of resources²²⁵. While the recruitment of seven additional staff members in 2023 increased its capacity, the need for further staff at senior level remains²²⁶. In the framework of a regional project to support National Human Rights Institutions in monitoring fundamental rights²²⁷, the Ombudsperson organised targeted training to enhance the capacity of participants to implement the EU Charter of Fundamental Rights in their work²²⁸.

A draft law aims to address challenges regarding the failure by parts of the administration to comply with decisions of administrative courts. Despite statutory provisions²²⁹, decisions issued by administrative courts²³⁰ in the context of requests for annulment are not always complied with²³¹. The Cyprus Bar Association highlighted the need for progress in this respect²³². Previous attempts to solve this long-standing issue were unsuccessful²³³. The Ministry of Justice has prepared a draft bill aiming to enhance the administration's compliance. According to the proposal submitted to public consultation in February 2024 by the Ministry of Justice, courts may (i) impose monetary fines in case of non-compliance or incomplete or defective implementation of court decisions and (ii) provide guidance, in the operative part of the decision, as to the appropriate manner of implementation²³⁴.

²²⁵ Information received from the Ombudsperson in the context of the country visit to Cyprus. Fundamental Rights Agency of the European Union (2023), EU Funds Ensuring compliance with Fundamental Rights, Report p. 42

²²⁶ See also 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 23.

²²⁷ The project, funded through the European Economic Area (EEA) and Norway Grants, aims to strengthen the role of NHRIs in the application of the Charter at national level by supporting NHRIs in Bulgaria, Croatia, Cyprus, Latvia, Poland, Slovakia and Slovenia. Participants also include the Fundamental Rights Agency of the EU as lead partner and the European Network of National Human Rights Institutions (ENNHRI) as an expertise partner.

²²⁸ Trainings were addressed respectively to staff members of the Ombudsperson Office, public servants responsible for the implementation of EU funded, lawyers and judges. Input from Cyprus for the 2024 Rule of Law Report, pp. 58-59. ENNHRI (2024), The state of the rule of law in the European Union, Reports from National Human Rights Institutions, Cyprus, Office of the Commissioner for Administration and the Protection of Human Rights, p.140.

²²⁹ Article 146 of the Constitution obliges all public authorities to comply with the decisions issued in administrative cases. It also provides that the issuing court has jurisdiction to find that there has been a failure to comply, order the administration to take measures and grant compensation to any person harmed. A law setting out the details needs to be enacted. Law 158 (I)/ 1999, Article 57 provides that following an annulment decision, the deed disappears and the administration is obliged to restore things to the position they were in before the issuance of the annulled deed.

²³⁰ Acts, decisions, and omissions of regulatory authorities are subject to judicial review before the Administrative Court at first instance and before the Appeal Court on appeal. The Supreme Constitutional Court is the supreme administrative court. Input from Cyprus for the 2024 Rule of Law Report, p. 54.

²³¹ Input from Cyprus for the 2024 Rule of Law Report, pp. 14 and 54.

²³² Input from Cyprus for the 2024 Rule of Law Report, p. 14.

²³³ A draft bill providing for sanctions in case of non-compliance has been pending for several years before Parliament, after failing to get legal vetting by the Law Office. Input from Cyprus for the 2024 Rule of Law Report, p. 55. See also 2020 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, p. 11.

²³⁴ Draft Law of 2024 amending Law 158(I)/1999) on the General Principles of Administrative Law. The draft was submitted to public consultation.

On 1 January 2024, Cyprus had 10 leading judgments of the European Court of Human Rights pending implementation, an increase of one compared to the previous year²³⁵. At that time, Cyprus' rate of leading judgments from the past 10 years that remained pending was at 53% (compared to 59% in 2023) and the average time that the judgments had been pending implementation was 3 year and 4 months (compared to 3 years and 3 months in 2023)²³⁶. As regards the respect of payment deadlines, on 31 December 2023 there were no cases in total awaiting confirmation of payments (compared to 1 in 2022)²³⁷. On 1 July 2024, the number of leading judgments pending implementation decreased to nine²³⁸.

Plans for regular dialogue between the authorities and civil society are promising, while concerns regarding the administrative requirements imposed on Civil Society Organisations (CSOs) remain. Civic space in Cyprus is considered "narrowed"²³⁹. Previously identified concerns regarding the implementation of the regulatory framework regarding CSOs persist²⁴⁰. CSOs have criticised the strict and inflexible application of the Law on Associations and Foundations²⁴¹ by the administrative authorities which results in delays, additional requirements not provided for by the law, and inconsistency in the practices followed by the different district offices²⁴². A survey carried out in 2023 identified administrative delays regarding registration, problems with freezing bank accounts without warning and access to funding as the main issues faced by CSOs²⁴³. The Government put forward a proposal in November 2023 to amend the Law on Associations and Foundations to facilitate registration and align its rules with anti-money laundering requirements²⁴⁴. According to CSOs, the proposed amendments fail to strike a fair balance between targeted

²³⁵ The adoption of necessary execution measures for a judgment by the European Court of Human Rights is supervised by the Committee of Ministers of the Council of Europe. It is the Committee's practice to group cases against a State requiring similar execution measures, particularly general measures, and examine them jointly. The first case in the group is designated as the leading case as regards the supervision of the general measures and repetitive cases within the group can be closed when it is assessed that all possible individual measures needed to provide redress to the applicant have been taken.

²³⁶ All figures are calculated by the European Implementation Network and are based on the number of cases that are considered pending at the annual cut-off date of 1 January 2024. See the Contribution from the European Implementation Network for the 2024 Rule of Law Report, p. 2.

²³⁷ Council of Europe (2024), Supervision of the execution of judgments decisions of the European Court of Human Rights – 17th Annual Report of the Committee of Ministers – 2023, p. 137.

²³⁸ Data according to the online database of the Council of Europe (HUDOC).

²³⁹ Rating by CIVICUS; ratings are on a five-category scale defined as: open, narrowed, obstructed, repressed and closed (Civics (2023), Monitor tracking civic space-Cyprus).

²⁴⁰ 2023 Rule of Law Report, Country Chapter on the rule of law situation in Cyprus, pp. 24 -25.

²⁴¹ Law on Association and Foundations and other Related Matters 104 (I)/2017.

²⁴² Information received from NGO Support Centre, KISA, Civil Society Advocates and OPEK in the context of the country visit to Cyprus. Civil Society Advocates (2023), For Stronger CSOs: Advocacy and capacity building for the empowerment of CSOs.

²⁴³ The survey was carried out in the framework of the project For Stronger CSOs: Advocacy and capacity building for the empowerment of CSOs. The project is funded through the European Economic Area (EEA) and Norway Grants and aims to improve the operational environment for Civil Society Organisations (CSOs) in Cyprus and to encourage the creation of a more enabling environment for them.

²⁴⁴ Draft Amending Law on Association and Foundations and other Related Matters of 2023. The invitation to the public consultation of the draft law referred to both the assessment of (i) the Council of Europe, Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (2nd Enhanced Follow-up Report, November 2022) and (ii) of the 2023 Rule of Law Report. The Government has also established a working group to draft legislation focusing on sports associations, as, according to the authorities, there are different needs regarding their regulation together with an increased risk of money laundering. Input from Cyprus for the 2024 Rule of Law Report, pp. 55-56.

protection from money laundering abuse and allowing legitimate CSOs activities²⁴⁵. In September 2023, the NGO platform, an electronic registry, became operational²⁴⁶. While this is a positive development aiming to reduce administrative burden and improve communication with CSOs, it is not yet used by all district offices. In October 2023, the Government organised a feedback dialogue with CSOs, which it intends to continue²⁴⁷. CSOs reported that no measures have been taken by the authorities to protect them from attacks, both physical and verbal, including a recent bombing attack at the office of a CSO active in anti-racism and equality²⁴⁸.

²⁴⁵ A group of CSOs, the NGO Initiative, provided coordinated input to the corresponding public consultation in January 2024. They referred to the implementation of recommendation 8 of the Financial Action Task Force (FATF), which states that countries should have focused, proportionate and risk-based measures in place, without unduly disrupting or discouraging legitimate Non-profit organisations, in line with the risk-based approach. FATF (2012-2023), International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation.

²⁴⁶ The platform functions as an electronic registry that allows the electronic submission of documents, in particular the annual reports. 2023 Rule of Law Reports, Country Chapter on the rule of law situation in Cyprus, p. 25.

²⁴⁷ Input from Cyprus for the 2024 Rule of Law Report, p. 55.

²⁴⁸ KISA, Action for Equality, Support, Antiracism; KISA further reported that the police failed to investigate its numerous complaints about threats its members have been receiving for years and which culminated with the bombing attack. Several CSOs and international organisations expressed solidarity with KISA, condemned the attack and called on Cypriot authorities to take action to condemn the bombing, launch an investigation, and halt the attacks upon KISA. Contribution from the Front-Line Defenders for the 2024 Rule of Law Report, p. 2; Statewatch, Civic space in Cyprus must be protected, 14 February 2024. Other incidents include statements by Members of Parliament presenting several CSOs, including those active in LGBTIQ rights, as attempting to corrupt the youth, during public discussions on the introduction of sexual education at schools. Franet, University of Nicosia and Symfiliosi (2024), National contribution to the Fundamental Rights Report 2024, p.14.

Annex I: List of sources in alphabetical order*

* The list of contributions received in the context of the consultation for the 2024 Rule of Law report can be found at https://commission.europa.eu/publications/2024-rule-law-report-targeted-stakeholder-consultation_en.

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Annex II: Country visit to Cyprus

The Commission services held virtual meetings in January and February 2024 with:

- Association of Judges
- Audit Office
- Centre for the Rule of Law and European Values (CroLev)
- Citizens' Initiative Pothen Esches
- Civil Society Advocates
- Commissioner for Administration and the Protection of Human Rights
- Commissioner for Information
- Cyprus Bar Association
- Cyprus Broadcasting Corporation
- Cyprus Employers & Industrialists Federation (OEB)
- Department of Judicial Reform, Supreme Court
- House of Representatives
- Independent Authority against Corruption (IAAC)
- Institute for Mass Media (IMME)
- KISA
- Ministry of Finance
- Ministry of Interior
- Ministry of Justice and Public Order
- NGO Support Centre
- Office of the Attorney General
- OPEK
- Oxygen for Democracy
- Police - Internal Affairs Service, Office of Investigation of Financial Crimes and Professional Standards and Inspection Directorate (PSID)
- Press and Information Office
- Radio-Television Authority
- Supreme Constitutional Court
- Supreme Court
- Union of Cyprus Journalists (ESK)

* The Commission also met the following organisations in a number of horizontal meetings:

- Amnesty International EU
- Centre for Democracy and Technology Europe
- Centre for European Volunteering
- Civil Liberties Union for Europe
- Civil Rights Defenders
- Civil Society Europe
- Culture Action Europe
- Democracy Reporting International
- European Centre for Non-Profit Law

- European Civic Forum
- European Federation of Journalists
- European Partnership for Democracy
- European Youth Forum
- Free Press Unlimited
- International Federation for Human Rights
- International Planned Parenthood Federation
- International Press Institute
- Irish Council for Civil Liberties
- JEF Europe
- Open Society Foundations
- Philanthropy Europe Association
- PICUM
- Reporters Without Borders
- SOLIDAR
- Transparency International EU