

**ANNUAL**  
*review*  
**2016-17**





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# ANNUAL *review* 2016-17

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# 1 | Introduction

## CONTINUOUS EFFORT IN A FLUID ENVIRONMENT



**DR. MICHAEL  
KAMMAS**  
Director General

**T**he twelve month period up to the middle of 2017 marks the first year following the exit from the three year course of the economic adjustment programme. As such, it is in essence the year when the first major endurance test took place for Cyprus as well as its banks, following the exit.

During this period the banks have contributed towards Cyprus' successful performance after the conclusion of the economic adjustment program, having managed to gradually restore credibility, to radically restructure operations and procedures as well as to overcome challenges in order to finance new viable projects and investment opportunities. At the same time, banks have had to comply with an ever-increasing number of supervisory and regulatory requirements.

In such a constantly changing environment, especially with regards to supervisory, regulatory and legislative requirements, the banking sector in Cyprus is called upon to demonstrate on a daily basis its flexibility and ability to adapt to new developments. With this as background, the Association of Cyprus Bank is relying on its professional expertise and knowhow to develop and promote its positions towards a more competitive, flexible and better functioning economy.

In order to support the banking sector as well as the economy at large, the Association of Cyprus Banks, during the past year, has relied on the following courses of action:

- Constant briefings of political and government bodies, media and the public.
- Very well structured documents, papers and suggestions on new regulatory, supervisory and legal requirements.
- Investment in digital media to harness technological advances in communications.

Following the above approach, the Association of

Cyprus Banks has had numerous meetings and exchanges of views on technical matters with government agencies, ministries, the Central Bank of Cyprus as well as political parties, on issues affecting the banking sector regarding new legislations and regulations. As a result, tens of documents, directives, regulatory and supervisory standards, as well as amendments in accounting standards, capital requirements, laws and automatic exchanges of tax information relating to the functioning of the financial system, have been dealt with by professionals of the Association of Cyprus Banks in cooperation and coordination with its members. The sheer volume of work combined with the importance of the various topics have defined the period 2016-2017 as one of the most productive years for the Association of Cyprus Banks. The positive conclusion of many of those consultations comes as testament and reward of the disciplined, hard and comprehensive work carried out by the Association.

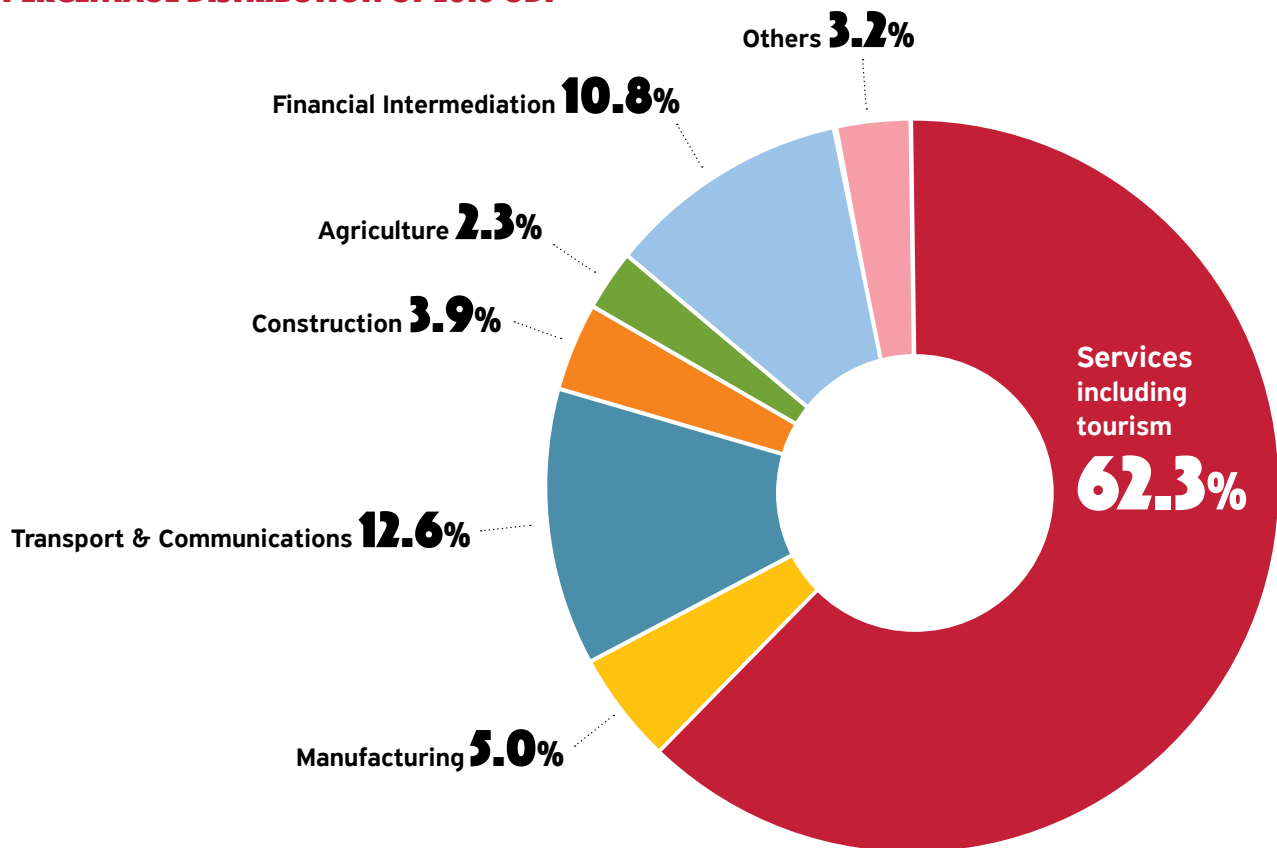
In response to challenges stemming from the digital age in communications, the Association is dedicating both human and financial resources towards this direction. Briefly, the main steps taken relate to the creation and operation of social media for professional content (Twitter and LinkedIn), the re-design of our official website, the launch of a new, digital platform for delivery of the monthly newsletter and the creation of an official blog to post issues relevant to banking employees.

As Cyprus continues on the path of positive and sustainable growth, the Association of Cyprus Banks aims to provide substantial and productive input in a consistent manner, relying on its professional expertise and knowledge and on the quality of its staff.

We are looking forward to the challenges lying ahead with a positive spirit and anticipate a stronger contribution of the banking sector towards economic growth.

## 2 | Economic Environment

### PERCENTAGE DISTRIBUTION OF 2016 GDP



Source: Statistical Service of Cyprus (provisional data for 2016)

### THE CYPRUS ECONOMY

The Cyprus economy exited its three year macroeconomic adjustment programme in March 2016, having successfully met most of the terms of its international lenders.

### GDP REAL, % CHANGE

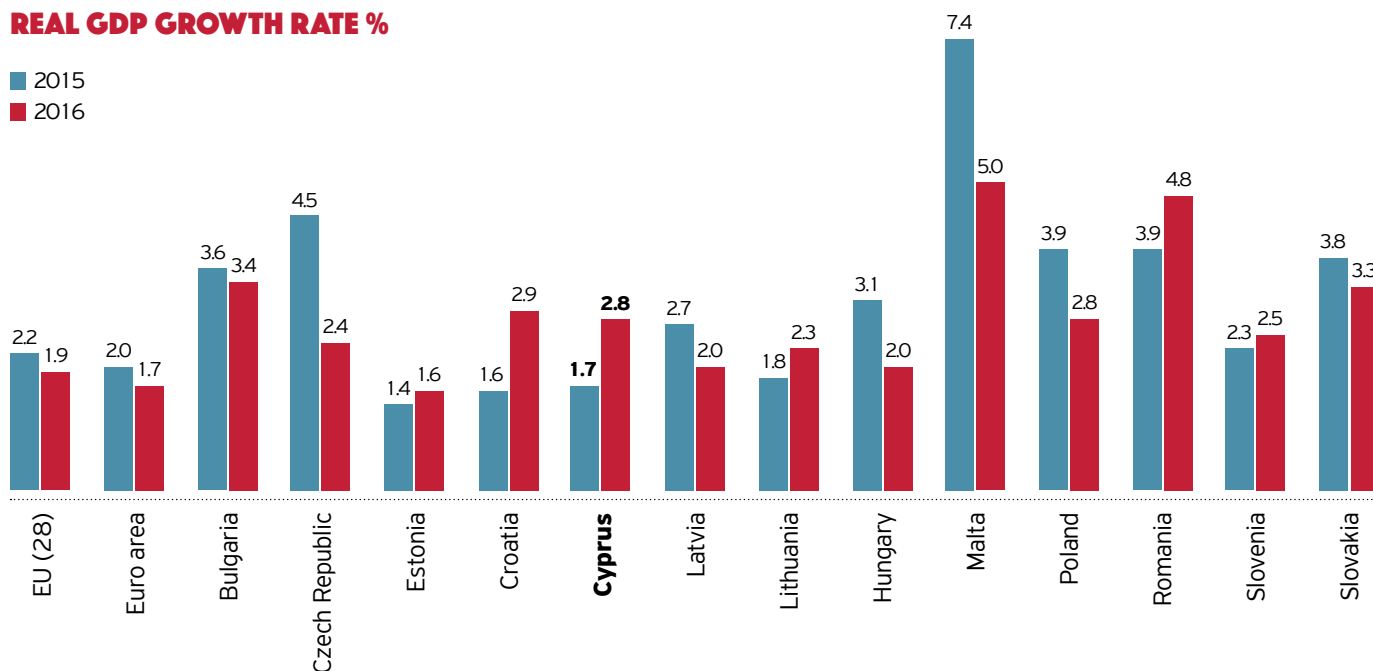
	2012	2013	2014	2015	2016	2017F	2018F
<b>Cyprus</b>	<b>-3.2</b>	<b>-6.0</b>	<b>-1.5</b>	<b>1.7</b>	<b>2.8</b>	<b>2.5</b>	<b>2.3</b>
EUR 28	-0.5	0.2	1.6	2.2	1.9	1.8	1.8
Euro Area	-0.9	-0.3	1.2	2.0	1.7	1.6	1.8
UK	1.3	1.9	3.1	2.2	1.8	1.5	1.2
USA	2.2	1.7	2.4	2.6	1.6	2.3	2.2

Source: Eurostat, European Commission

Economic conditions have continued to improve in 2016. Real GDP growth reached 2.8% in 2016, up from 1.7% in 2015, as the economy continued to expand for the second consecutive year after three years of economic recession. High growth is forecasted to continue in 2017 according to promising leading indicators across the economy, such as strong tourism arrivals, increase in property transactions and a rebound in vehicle registrations.

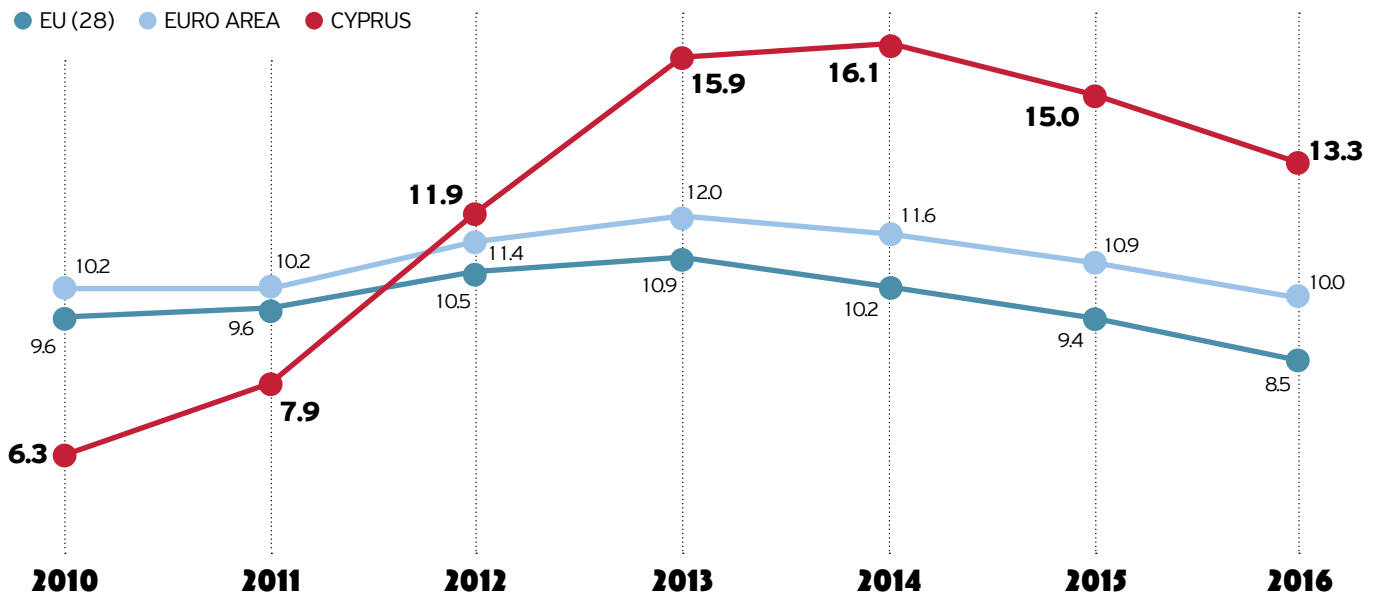
### REAL GDP GROWTH RATE %

■ 2015  
■ 2016



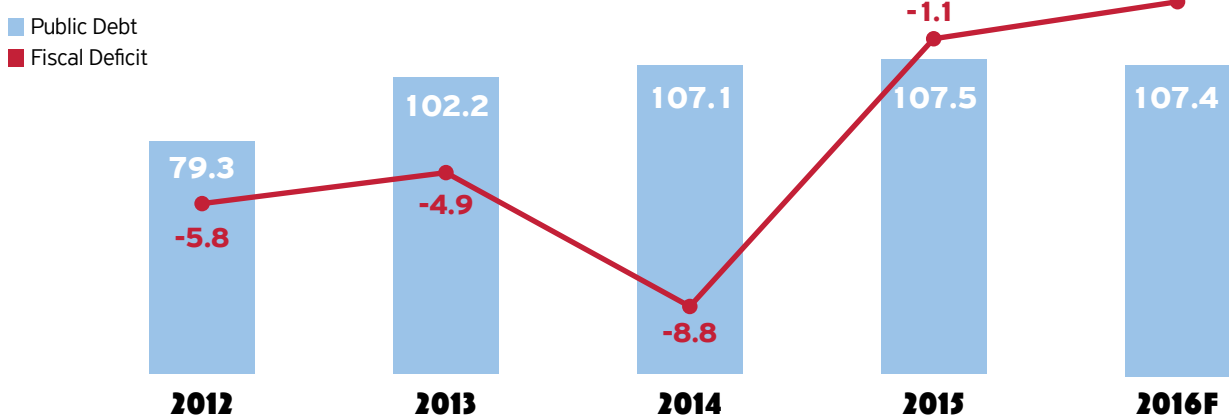
Source: Eurostat

Moderate growth in the euro area is further strengthening economic conditions and economic sentiment in Cyprus. Additionally, the expansionary policies of the European Central Bank have been supportive of the recovery in Cyprus as well as in the periphery.

**UNEMPLOYMENT IN CYPRUS, THE EURO AREA & THE EU (28) %**

Source: Eurostat, European Commission

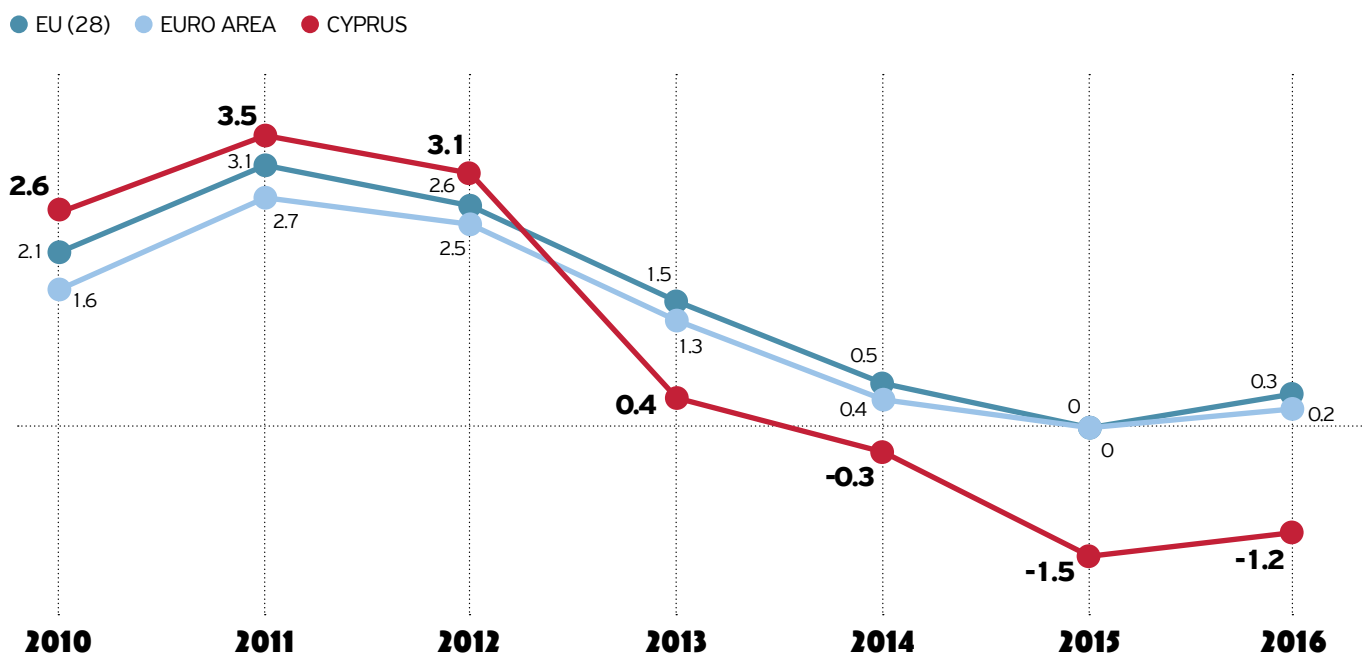
Economic gains are slowly being transposed into improvements in the labor market. Unemployment, which had reached a peak of 16.1% in 2014, has declined to 13.3% in 2016 and the downward trend is continuing in the first months of 2017. The unemployment rate in Cyprus, while still above the euro area average, has slowly started to converge.

**PUBLIC DEBT & FISCAL DEFICIT, % OF GDP**

Source: European Commission

In the light of strong economic performance and previous budgetary consolidation efforts, the primary surplus is improving and the budget is now balanced, while the public debt is showing signs of stabilization. Since May 2016, the government debt credit rating for Cyprus, as reported by major credit rating agencies, has been revised upwards and remains one upgrade away from "investment grade" (according to S&P).

### INFLATION IN CYPRUS, THE EURO AREA & THE EU (28)



Source: Eurostat

Following two years of deflation, prices as measured by the Harmonized Index of Consumer Prices (HICP), continued to drop in 2016 by 1.2%. Inflation in Cyprus remains lower than average inflation in the

EU. However, the decline is slowing down and inflation is projected to turn positive in 2017, driven by the continued domestic recovery as well as expected increases in fuel prices.

### CYPRUS MAJOR ECONOMIC INDICATORS

	2013	2014	2015	2016F	2017F
<b>GDP Real Growth</b> % Change*	-6.0	-1.5	1.7	2.8	2.5
<b>GDP At Current Prices</b> EUR mil.	18,118	17,567	17,637	17,901	N/A
<b>GDP Per Capita</b> EUR	20,048	19,847	20,732	20,234	N/A
<b>GDP Per Capita</b> (PPS) EU 28=100	84.0	81.0	82.0	N/A	N/A
<b>Unemployment</b> %	15.9	16.1	15.0	13.3	12.0
<b>Inflation Rate</b> % Change*	0.4	-0.3	-1.5	-1.2	1.2
<b>Current Account Balance</b> % of GDP	-4.9	-4.4	-3.0	-1.6	-2.1
<b>Fiscal Deficit</b> % of GDP	-4.9	-8.8	-1.1	0.0	-0.2
<b>Total Public Debt**</b> % of GDP	102.2	107.1	107.5	107.4	103.2
<b>Total Public Debt**</b> EUR mil.	18,519	18,819	18,964	N/A	N/A

\* Percentage change compared with the corresponding period of the previous year \*\* Excluding intergovernmental & short-term liabilities of the Central Bank to the IMF.

Source: Eurostat, Ministry of Finance, European Commission interim forecast

- **Doing Business 2017 (World Bank):** Cyprus is ranked 45th out of 190 economies
- **Global Competitiveness Index 2016-2017 (World Economic Forum):** Cyprus is ranked 83rd overall out of 138 countries.
- **Index of Economic Freedom World Rankings 2017:** Cyprus is ranked 48th out of 180 countries.



## 3 | The Banking Sector

### GENERAL OVERVIEW

The banking sector in Cyprus comprises of domestic banks, international banks with Cyprus based subsidiaries or branches and co-operative credit institutions (CCIs). Beyond the traditional deposit and lending services (to households, corporations, SMEs), banks in Cyprus operate under the “universal banking model” as they offer a diverse range of products and services. Deposits from customers have traditionally been the main source of funding for banks.

At present, there are 54 authorized credit institutions in Cyprus, consisting of 7 local authorized credit institutions, the Cooperative Central Bank and 18 affiliated Cooperative Credit Institutions (CCIs) that are currently in the process of merging with the Cooperative Central Bank, 3 subsidiaries of foreign banks from E.U. member states, 2 subsidiaries of foreign banks from non-E.U. member states, 7 branches of banks from E.U. member states, 14 branches of banks from non-E.U. member states and 2 representative offices.

### BANKING UNION

Within the framework of the EU Banking Union, since November 2014 the CCIs and Cooperative Central Bank, together with Bank of Cyprus, Hellenic Bank and RCB Bank, were among the European credit institutions that came under the direct supervision of the ECB, as part of the Single Supervisory Mechanism (SSM) provisions, whereas the subsidiaries of Greek banks are supervised by the SSM as their parent banks are systemic in their home country.

The three main elements of the Banking Union are:

1. The new regulatory framework with common rules for banks in the 28 member states, ensuring that deposits up to €100,000 (per depositor, per bank) are protected at any time throughout the E.U.
2. Direct supervision by the ECB for systemic banks. Smaller banks will be under the supervision of the national supervisory authorities, however, the ECB may at any time decide to supervise directly one or more of the smaller credit institutions in order to ensure the consistent implementation of regulation.
3. The Single Resolution Mechanism and Single Resolution Fund to address problems with banks that require resolution.

### BANKING SECTOR STATISTICS (31/12/16)

<b>Deposits</b> EUR mil.	49.009
<b>Loans</b> EUR mil.	55.182
<b>Branches</b>	542
<b>Personnel</b>	10.615
<b>Branches of Financial Institutions per 100,000 inhabitants</b>	64

Source: Central Bank of Cyprus

### BANKING DEVELOPMENTS

#### Recapitalization and Restructuring of the Banking Sector

Following the successful conclusion of the economic assistance programme in 2016, the banking sector stands well capitalized. The Common Equity Tier 1 capital ratio of all banks increased to 16.1% in December 2016, up from 15.6% a year before. This came about due to reduction in the aggregate risk-weighted assets while deleveraging continued.

The country's largest lender, Bank of Cyprus, after fully repaying the Emergency Liquidity Assistance, has recently listed on the London Stock Exchange. Furthermore, it has returned to the international capital markets through a successful debt issue.

The Cooperative Central Bank (CCB) is finalizing a merger with its 18 co-operative credit institutions as part of its restructuring and modernisation efforts and is working on completing its Cyprus Stock Exchange listing in 2017, before it begins with subsequent share issues to increase its capital and reduce the government's stake to 25 per cent.

The other banks are also focused on improving their efficiency following the downsizing of the sector, a very low and negative interest rate environment, as well as the relatively recent introduction of a multitude of new and revised regulations.

#### Non-performing Loans

The financial sector remains heavily burdened with non-performing loans (NPLs), and their reduction remains a priority

for bank management and the supervising authorities.

Throughout 2016, important progress was made in addressing NPLs, as the amount of NPLs fell by approximately 12% from €26.7 bn in December 2015 to €23.7 bn in December 2016. According to the latest report of the Central Bank of Cyprus, the downward trend in non performing facilities can be attributed to increased repayments, restructurings that are being reclassified as performing facilities following successful completion of the observance period, write-offs, as well as settlement of debt through swaps with immovable property.

Banks are overall meeting the targets set by the Central Bank of Cyprus for the level of loan restructuring activity. In doing so, they are assisted by the introduction of the insolvency and foreclosure frameworks which provide credible tools against strategic defaulters. In addition, improvement of economic conditions, the stabilization and marginal increase in property prices as well as the low interest environment are expected to help reduce the outstanding NPLs to more sustainable levels.

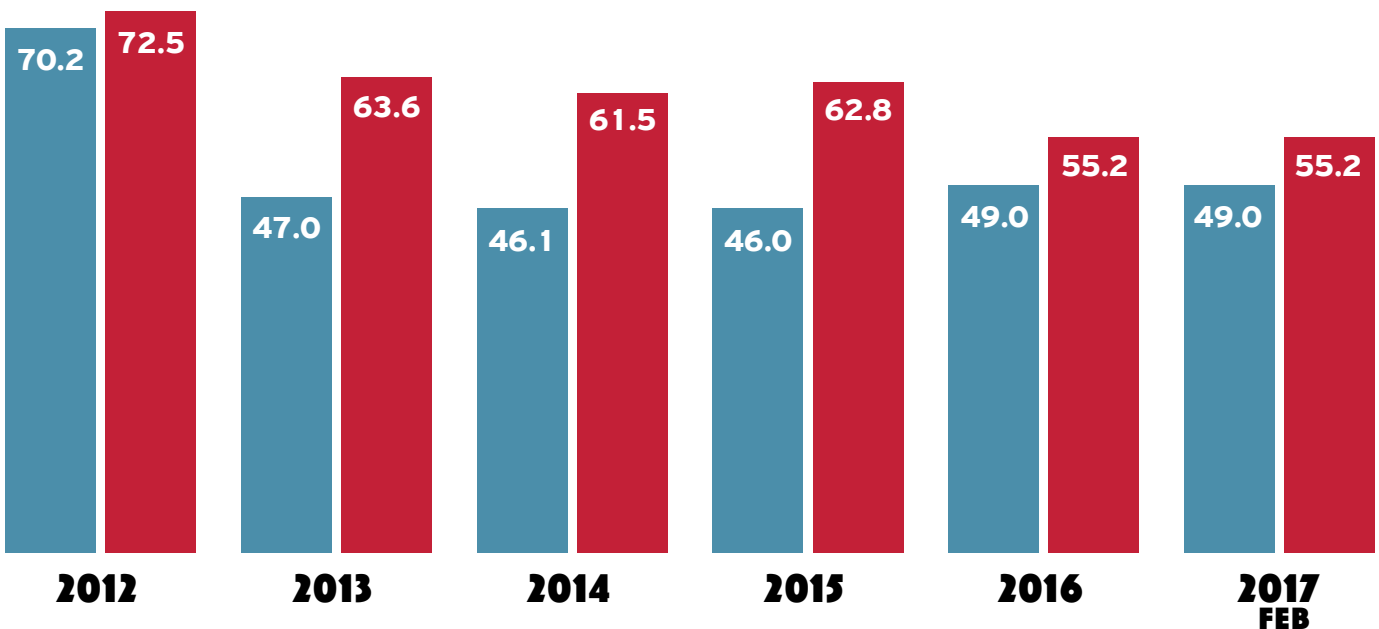
## FINANCIAL INTERMEDIATION

Throughout 2016, aggregate bank deposits increased by €3 billion (a 6.6% increase), as confidence gradually returned. This increase in deposits, together with the continued deleveraging, marks an improvement in the banking sector's liquidity position, which culminated with the complete repayment of the Eurosystem emergency liquidity assistance in January 2017.

As seen from the chart below, bank deleveraging continues. Total outstanding loans contracted by €7.6 billion throughout 2016 (a 12% decrease from the end of 2015). This resulted mainly from the growing use of debt-to-asset swaps as well as from the repayment of loans, as households and corporations decreased their exposures in the face of economic recovery. Net lending is slowly picking up as the reduction in interest rates and the need to increase the movement of stocks led to increased demand for loans during the 4th quarter of 2016, according to the Bank Lending Survey of the Central Bank of Cyprus. This demand is expected to rise during the 1st quarter of 2017 reflecting the improving economic climate, however the high private sector debt is limiting the scope for stronger credit expansion.

### DEPOSITS AND LOANS

■ Deposits (EUR bil) ■ Loans (EUR bil)



Source: Central Bank of Cyprus

**BANK CREDIT BY SECTOR**

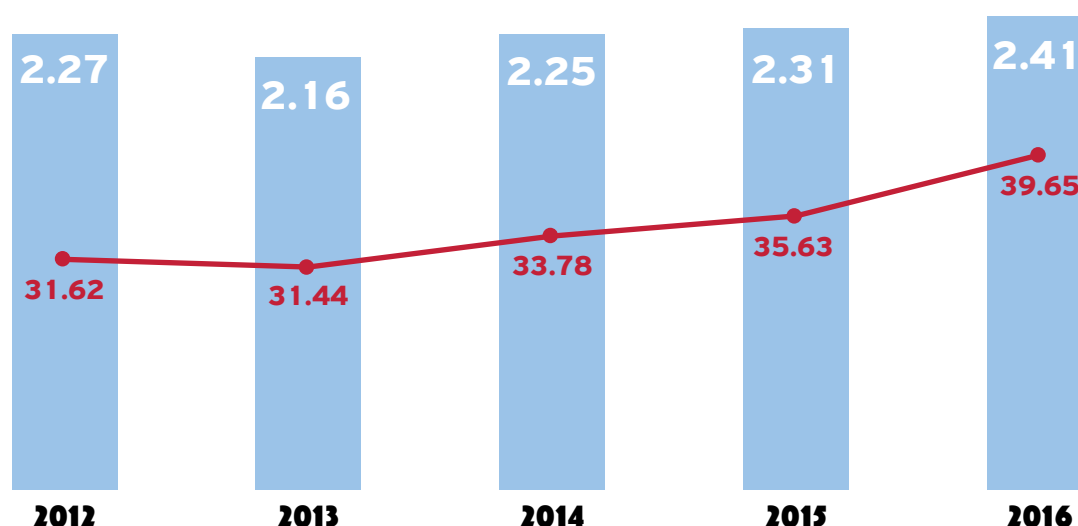
	End of period balances (Euro mil.)		Outstanding amount as a % of total		Annual % change
	2015	2016	2015	2016	
<b>General Government</b>	866	831	1.4%	1.5%	-4.0%
Other financial intermediaries	11,807	9,093	18.8%	16.5%	-23.0%
Insurance corporations & pension funds	23	14	0.0%	0.0%	-39.5%
Non-financial corporations	26,311	22,426	41.9%	40.6%	-14.8%
Consumer credit	2,889	2,664	4.6%	4.8%	-7.8%
Housing loans	13,207	12,942	21.1%	23.5%	-2.0%
Other household loans	7,636	7,212	12.2%	13.1%	-5.5%
<b>Totals</b>	<b>62,739</b>	<b>55,182</b>			<b>-12.0%</b>

Source: Central Bank of Cyprus

As shown by the table above, non-financial corporations in particular, as well as households, took advantage of the economic recovery to repay their loans. This trend marked an overall reduction in total loans of 12.0% in 2016.

**CREDIT AND DEBIT CARD TRANSACTIONS**

■ Value (euro billions)  
■ Number of transactions (millions)



Source: JCC Payment Systems Ltd

Following a decline in 2013, the total value of card purchases in Cyprus by holders of credit and debit cards issued in Cyprus has increased steadily. Within 2016, the total value of these transactions increased by 4.3% to a total of €2.41 billion (2015: €2.31 billion). There was an increase in the number of transactions by 11.3% in 2016, as bank customers are gradually switching to paying by cards for smaller amounts. Reflecting these changes in consumers' paying habits, the average value of transactions has been gradually declining over the past five years (from €72 per transaction in 2012 to €61 per transaction in 2016).

# 4 | Year Under Review

## RISK REDUCTION PACKAGE - BASEL IV



**MICHAEL  
KRONIDES**  
First Senior  
Advisor

In November 2016, the European Commission unveiled a comprehensive package of banking reforms aimed to further reduce risks in the financial sector. These risk reduction measures are expected to strengthen the resilience of the European banking system, increase market confidence and contribute towards completing the Banking Union.

The proposed reforms amend the Capital Requirements Directive (CRD5), the Capital Requirements Regulation (CRR2), the Bank Recovery and Resolution Directive (BRRD2) and the Single Resolution Mechanism (SRM).

The main proposals are:

- 3% leverage ratio
- Binding net stable funding ratio (NSFR)
- More sensitive own funds based on the fundamental review of the trading book
- TLAC standard and MREL requirement

The Association formed a Working Group to study the proposed reforms and form positions/views on the most important amendments affecting Cypriot banks. The positions/views were then communicated to the Ministry of Finance, the Central Bank of Cyprus and the European Banking Federation to raise during the relevant consultation with EU authorities.

The Association formed specific positions/views on the following issues:

### 1. Large Exposures (LE)

- Definition of LE: an exposure shall be considered as LE where its value is equal to or exceeds 10% of the bank's eligible capital rather than its Tier 1 capital
- Transitional provisions for LE: exposures to central governments or central banks shall continue to be subject to a 0% risk weight and be exempted from the large exposures framework.

### 2. MREL

- Calculation of recapitalization amount: banks shall be allowed to use both own funds (CET1, additional Tier 1 or Tier 2 instruments) and eligible liabilities to meet their MREL requirements.
- Calibration of the MREL requirement for deposit-funded banks: the level of the MREL requirement shall be proportionate to the business model and to the funding structure of banks that are mainly funded by deposits.
- MREL Guidance: banks shall be responsible to establish a sufficient target level over MREL requirements and not the Resolution Authority to impose a guidance above MREL requirements.

### 3. IFRS9

- Adjustment amount: during the period 1 January 2018 to 31 December 2019 a bank shall include in CET1 capital an adjustment amount of 100% (coefficient 1)
- Static vs Dynamic Approach: banks are in favor of the "Static" approach.

## ECB GUIDANCE ON NPLS

The European Central Bank (ECB) issued in November 2016 detailed guidance on how banks should tackle non-performing loans (NPLs). The guidance addresses the main aspects regarding strategy, governance and operations, which are key to successfully resolving NPLs. It will serve as a basis for evaluating banks' handling of NPLs, as part of the regular supervisory dialogue.

Cypriot banks are already implementing a thorough and comprehensive Arrears Management Directive that has been issued by the Central Bank of Cyprus in 2013. Nevertheless, a Working Group has been formed to study in detail the proposed ECB Guidance on NPLs and form positions/views on issues affecting Cypriot banks. The positions/views have been communicated to the European Banking Federation and the Central Bank of Cyprus.

The most important positions/views have been formed on the following issues:

1. Frequency of valuations: there is no value to proceed immediately with an individual property valuation once the loan is classified as NPL. It is preferable to do a valuation at the point of initiating the restructuring process.
2. Valuation of foreclosed assets: it is extremely difficult to be able to sell a foreclosed real estate asset within a short timeframe such as one year, more evidently in countries that went through a financial crisis. Before forming a sale policy for the foreclosed asset, banks need to consider the economic situation, the liquidity and activity of the market and the possible impact of mass sale of foreclosed assets.
3. Affordability assessment for retail borrowers: requirement that the borrower needs to be performing against the revised arrangement for 6 months before arrears are capitalized, will hamper banks' efforts to conclude viable forbearance proposals and will further prolong the exit of the exposure from NPL classification.

## AUTOMATIC EXCHANGE OF INFORMATION



**CHRISTINA  
ANTONIOU  
PIERIDES**  
Senior Advisor

**A**s part of improving international tax compliance and preventing tax evasion, Cyprus was one of the early adopters to implement the Common Reporting Standard (CRS), developed by the OECD.

Up to now, banks in Cyprus had to provide information to other EU member states on savings held by foreign EU residents, according to the requirements of the Directive on Savings Taxation. However, the reporting under the Directive on Savings Taxation has now ceased and in 2017, Cyprus banks will deliver the first reporting under CRS, to cover the year 2016. Since Cyprus chose to implement the wider approach, banks are already collecting information relating to the country of tax residence of all clients, as well as the tax identification number of all non-Cyprus tax residents. Within 2017, they will submit to the Cyprus Tax Authority, the required information for residents of CRS participating jurisdictions (excluding Cyprus).

The Association participates at the Monitoring Team for the implementation of CRS & FATCA and was engaged in the development of guidance notes for CRS & FATCA implementation.

### FORECLOSURES OF MORTGAGED REAL ESTATE

The first private auctions on behalf of mortgagees under the new foreclosures framework (Part VIA of the Transfer and Mortgage law) took place in June 2016. Since then, banks met several implementation issues during the first year of entry into force of the new framework, which they have resolved through the Association:

- The adoption of uniform practices and safety procedures during auctions, together with the security service providers.
- In coordination with the venue administrators, a procedure was set for making venue reservations and for posting the required announcements.
- Representatives of the Association liaised with auctioneers and Land Registry representatives to go over matters relating to the new foreclosure procedures.
- Land Registry officials met and exchanged views with bank members on issues that came up during the initial auctions.
- The Association monitored the capacity and adequacy of the approved auction spaces and, at the request of members, located an alternative venue for the District of Nicosia, which was subsequently approved by the Minister of Interior.

- Meeting of the relevant working group of the Association with Tax Department representatives to establish a procedure for obtaining tax information on properties to be foreclosed and to address questions that had arisen in the calculation of the capital gains tax.

- Communication with the Technical Chamber of Cyprus to resolve issues related to the procedure of appointing independent valuers.
- Submission of suggestions to the Land Registry Department for improving the process of appointing auctioneers.
- Following the initial months of implementation, bank members developed suggestions for improving the legal framework in order to remove inconsistencies and streamline procedures. The Association engaged with the Land Registry Department to arrive at a proposed law amendment.

### AUDITORS' BANK CONFIRMATION LETTERS

Upon invitation from the Institute of Certified Public Accountants of Cyprus (ICPAC), members examined the proposed update of the auditors' bank confirmation letters and engaged with ICPAC to arrive at a revised form.

In addition, bank members examined a commercial proposal for the digitization of the audit confirmation process.

### FREEZING OF BANK ACCOUNTS: THE EUROPEAN ACCOUNT PRESERVATION ORDER

As at January 2017, banks in Cyprus implemented the European Regulation establishing a European Account Preservation Order procedure to facilitate cross-border debt recovery in civil and commercial matters (Regulation 655/2014). Under this Regulation, a claimant will be able to make an application to the courts of one Member State to obtain an order which will "freeze" monies held by a defendant in bank accounts in all participating Member States, without further applications being required.

The Association organized two workshops to address members' questions on the practical issues that banks need to address, as well as on the aspects of domestic legislation that relate to the implementation of the Regulation. In addition, the Association liaised with the designated local competent authorities to address necessary amendments to local legislation as well as procedural issues.

# NEW LEGISLATION ON CREDIT AGREEMENTS FOR CONSUMERS RELATING TO RESIDENTIAL IMMOVABLE PROPERTY



**MARIA IOANNOU**  
Senior Advisor

**T**he European Directive 2017/17/EU on credit agreements relating to residential immovable property was passed into national law on 9 May 2017. Under the consultation process which preceded this, the Association submitted its comments on the draft Bill, participated in consultations with representatives of the Ministry of Finance and took part in Parliamentary Committee meetings.

The legislation, among other requirements, includes a provision concerning the general and personalized information which should be given to consumers before the conclusion of the credit agreement. This personalized information is offered through the European Standardized Information Sheet (ESIS). Simultaneously, the law establishes a strict legal framework for foreign currency loans, it provides for a right of early repayment, it lays down provisions on consultancy services which may be provided by the financial institutions, and sets out rules for more detailed and thorough credit assessments of consumers.

## COMPARABILITY OF FEES, PAYMENT ACCOUNT SWITCHING AND ACCESS TO PAYMENT ACCOUNTS

In January 2017, a Bill was submitted to the House of Representatives in order to implement the provisions of the European Directive 2014/92/EU on the compara-

bility of fees, payment account switching and access to payment accounts. The purpose of the legislation is to provide clear, transparent and comprehensive information concerning fees related to a payment account. In this way consumers benefit from concise information that is easily comparable across different service providers. The law also sets down rules for the effective and efficient switching of bank accounts between one bank and another and provides rules to ensure that all EU citizens have the right to open and use at least one payment account with basic characteristics, in their territory.

## FINANCIAL EDUCATION ACTIVITIES

The financial educational program “More than Money” took place for a second consecutive year at primary schools in Cyprus. The program was implemented between February and March 2017 at 8 primary schools (around 450 students educated). “More than Money” was implemented in cooperation with JA Cyprus and the Ministry of Education and aims to familiarize students with basic economic and financial concepts. The program is planned to continue during the school year 2017-2018.

Additionally, the ACB in cooperation with the Cyprus Consumer Association organized a series of public seminars during the first quarter of 2017 on issues such as banking services, credit agreement facilities, loan restructuring processes and safety of cards.

## PAYMENT SERVICES DIRECTIVE 2



**MARIOS  
NICOLAOU**  
Senior Advisor

**T**he revised Payment Services Directive (PSD2) was published in the EU Journal in January 2016. It must be transposed into member states' national Laws and immediately put into effect in January 2018.

### Main objectives:

- Promoting payments innovation through mobile banking and instant payments.
- Enhancing competition by providing additional legal rights to non-banking payment institutions (third party providers)
- Increasing payment safety.
- Extending the scope of payment transactions in terms of currency and location of payer or payee.

Bearing in mind that the adoption of the Directive involves several technical issues that are not covered within its actual content, the EU has conferred to the European Banking Authority (EBA) the issue of 11 additional mandates, comprising of 6 Technical Standards and 5 Implementation Guidelines. The major challenge with these mandates is that they have different publication and enforcement dates, some of which are several months after PSD2's official implementation deadline (January 2018). For example, the «Regulatory Technical Standards on Strong Customer Authentication and secure communication» which are considered as one of the most important PSD2 mandates, have been published by the EBA in February 2017 and are expected to be put into force in January 2019.

Over the last year, the Association has formed amongst its members a PSD2 working group and four subgroups, each one dealing with different aspects of the Directive (namely Legal and O&M, Information Security, Payment Cards and Operational Risks). Their work so far included: (i) organizing presentations and informative meetings aimed at exchanging views and answering questions, (ii) preparing a fact sheet with common understandings concerning the Directive's new scope provisions and (iii) listing issues that require further clarification and forwarding them to the European Central Bank and the European Payments Council.

## AMENDMENT OF THE BANK ACCOUNT SWITCHING CODE

The new Bank Account Switching Code is an amendment of the existing, voluntary Switching Code issued by the Association in 2009. The amended Code was prepared in order to make banks compliant with the provisions of the European Directive 2014/92/EE (Payment Accounts Directive – PAD). According to the relevant provisions of the PAD, all member states must ensure that banks offer efficient bank-account switching services, of same-currency payment accounts, to any physical person holding a payment account, within the jurisdiction of an EU country.

Bearing the above in mind, a working group was formed at the Association, in order to amend the Code according to PAD's (and the national legislation's) provisions.

## TAX PAYMENTS THROUGH INTERNET BANKING

The Association and its members, in an effort to assist the Tax Department offer quicker and better quality services to the public, have agreed to amend their procedures and infrastructure in order to provide Tax-payment services to their customers, through their internet banking systems. The first step towards achieving this goal was to enable customers use their internet banking account in order to pay VAT bills by credit transfers. In order to implement this, a working group was formed at the Association aimed at revising the banks' current procedures and legal agreements so as to include VAT internet payments (in addition to accepting cash or cheque payments, at their branches).

### Achieving the above will:

- Reduce waiting lines and workload at the banks' branches and Tax Departments' offices especially during the last days before tax payment deadlines.
- Reduce the problems arising from the issue and clearing of cheques (such as additional costs, delays, dishonored cheques, etc.)
- Offer quicker services to the public and especially of those living abroad.

## COMBATTING MONEY LAUNDERING AND TERRORIST FINANCING



**ELENA  
FRIXOU**  
Senior Advisor

The Association plays an instrumental role in the process of the review and update of the Anti-Money Laundering Countering Terrorist Financing (AML/CFT) Regulatory Framework and has developed a close cooperation with the Central Bank of Cyprus (CBC) and other Supervisory authorities, relevant organisations and the Government towards that end.

The Association, being a member of the AML and Financial Crime Committee of the European Banking Federation and the Cyprus National Advisory Authority for Combating Money Laundering, is participating in the consultation process for the amendments of Fourth Directive of the European Union 2015/849 /EC.

Additionally, the Association takes part in the Cyprus National Risk Assessment in relation to Combatting Money Laundering and Terrorist Financing which is carried out based on the World Bank methodology and is expected to be concluded in 2017. The Assessment will result in a report with concrete recommendations that will be submitted to the Government, the Cypriot regulatory authorities and the private sector for implementation.

In light of the latest amendments of the CBC AML/CFT Directive, the Association through its relevant standing committee has updated the following common 'de minimis' documents which were endorsed by its member banks:

### **1. Introducers' Questionnaire for the assessment of the AML/CFT Procedures**

The Prevention and Suppression of Money Laundering Activities Law N.188(I)/2007 as amended permits persons carrying on financial business, to rely on 'third parties' for the implementation of customer identification and due diligence procedures as these are prescribed in the related Law.

This Questionnaire is used for the evaluation of the procedures of 'third parties' in relation to the prevention and suppression of money laundering and terrorist financing activities.

### **2. Informative Leaflet in relation to 'know your customer information'**

This Informative Leaflet is used as each Bank thinks fit and its purpose is to promote the awareness of customers in relation to the obligatory customer due diligence procedures followed by the Banks. The Leaflet contains guidance in relation to 'know your customer information' which the Bank is obliged to request from its customer according to the AML/CFT Law and the CBC AML/CFT Directive. It is addressed not only to existing Bank customers, but to those who apply for account opening, loan or any other credit facility or even for the performing of just a single/ one off bank transaction.

## DATA PROTECTION REGULATION

The new General Data Protection Regulation (GDPR) is set to replace the Data Protection Directive 95/46/EC and will enter into force on 25 May, 2018. The GDPR, which is directly applicable in each member state, significantly increases the regulatory requirements related to customer and counterparty data protection by strengthening and unifying the data protection regulation across the European Union. The GDPR follows a risk-based approach and fosters a culture of accountability, privacy governance and data protection audit.

Banks are amongst the organisations which are directly affected the most by the GDPR since they process a great amount of information. Although Banks have already adopted an advanced data information framework, the GDPR contains a number of new obligations in relation to which Banks are preparing to carry out operational reforms.

The Association has enacted a series of actions to assist its members towards implementation of the GDPR. These actions include amongst others the enhancement of the close relationship with the Commissioner for Personal Data Protection by conducting regular face-to face meetings with the latter, the arrangement of the relevant internal ACB committee meetings and the organisation of specialized Training/Seminars/Presentations.



## HUMAN RESOURCES AND TRAINING DEPARTMENT



**DR. YIANNOS ROSSIDES**  
Senior Advisor

**T**his new department which started its operation last year is offering services to the members of the Association on human resources issues, training and labour relations. The relevant officers offer their widespread expertise and knowledge to the member-banks upon their request. Quite regularly the department facilitates the coordination and exchange of information between members of the Association in matters related to labour legislation and regulations and / or collective agreements.

The department also represents the Association to the Banking Committee for European Social Affairs (BCESA) of the European Banking Federation (EBF). It is important to note that in this committee, the Association holds the honorary position of Vice Chairman since 2013. Dr. Kammas, General-Director of the Association has been unanimously re-elected as Vice Chairman of the committee in November 2016, for an additional 3-year term.

Within 2016, the department prepared and delivered to members the following surveys:

- a)** An overview of employment figures in the banking sector (information on demographic variables, academic and professional qualifications of bank employees, participation of women in the management hierarchy, data regarding the various types of employment in banks, etc.)
- b)** A report on bank employees' salaries and salary structure.
- c)** A report on the annual sick leave days in the banking sector.
- d)** Contributed to the report of the Italian Banking Association, "The Labour Market in the Financial Industry", which is distributed to all member Associations of European Banking Federation.

### EBF-BCESA MEETINGS

The Director General, Dr. Kammas and Senior Advisor, Dr. Rossides, represented the Association to the 57th and 58th meetings of the European Banking Federation – Banking Committee for European Social Affairs (EBF-BCESA).

During these meetings, the committee finalised its participation to the joint program between the European social partners on the impact of the regulations on employment, implemented in the banking sector after the 2008 crisis. It is worthwhile to note that the joint project is based on a suggestion made by the Association of Cyprus Banks, which was unanimously accepted and implemented by all European social partners of the banking sector. The proposal for funding of the program by the European Commission has been approved and the project will be implemented during 2017-18.

It is expected that the Association, due to the role of Dr. Kammas's as Vice-Chairman of the committee, will have an active role in the implementation of this important for the social partners and social dialogue in banking project.

In addition, the committee discussed in detail the initiatives of the European Commission (EC) for digital skills and digital jobs and its "New Skills Agenda".

Finally, the Chairman represented the committee at the high-level event in the presence of Commissioner Oettinger held on 01.12.2016, which marked the start of the coalition for digital work and digital skills.

### EUROPEAN SECTORAL SOCIAL DIALOGUE BANKING (SSDB)

The Director General, Dr. Kammas and Senior Advisor, Dr. Rossides, represented the Association and the EBF-BCESA to the above meetings of the European SSDB, which took place on 20.6 and 18.11.2016. They also represented the Association and the EBF-BCESA to the conference on the "CSR Follow up" which took place on 17.11.2016. The committee through its Chairmanship participated in the "Corporate Social Responsibility-CSR Follow up" conference, which took place on 17.11.2016. The main topic of the conference was the joint declaration of the European social partners in the banking sector on CSR and its importance for the industry.

At the meeting on 18.11.2016, representatives of the European Commission presented the new digital skills program. Subsequently, there was a presentation by representatives of the social partners on the effects of digitization in employment and on the agreement on telework signed by the European social partners in the field of insurance companies.

### IT FRAUD-CYBERCRIME TASK FORCE

Cybercrime and IT Fraud is an important issue for the EBF, which has developed a close cooperation with Europol to fight cybercrime. The Association, and its members, follow closely the issue of cybercrime and its trends. At the local level, the Association has developed ties with the Office of the Commissioner of Electronic Communications and Postal Regulation (OCE-CPR) and with the relevant office of the police. The main role of the Association is to respond to member requests for coordination when needed and to disseminate relevant information received by the EBF, EUROPOL and the local authorities. The latest development in the area of cybercrime is the enactment of the NIS (Network and Information Systems) directive in the summer of 2016. The next step is transferring the European directive to national legislation.

### PHYSICAL SECURITY TASK FORCE

Even though the physical security measures implemented by the members of the Association since 2012, have been quite effective and helped in the decrease of bank robberies the last 4 years, the relevant task force continues its work and convenes when necessary to exchange views on the issue to further enhance the physical security measures taken at branch level. The Association gathers, analyses and prepares a report presenting an overview of the physical attacks (e.g. bank robberies, ATM attacks) against bank branches in Cyprus. The data collected is then included in the European Banking Federation's "Security Report", which provides an annual overview of trends in bank robberies and other physical attacks.

## ASSOCIATION'S TRAINING ACTIVITIES IN 2016 & 2017



**MARIA VARNAVA**  
Officer

**D**uring 2016 there was a significant increase in the volume of debt to asset swaps, relating mostly to commercial real estate, as a way to tackle the high levels of non-performing loans. The Association organised a seminar on the issue of "Debt to Assets Swap" which was addressed to staff of Real Estate Management Units of member banks.

Another important issue was the seminar on the «Regulation No. 655/2014 of the European Parliament and of the Council of 15 May 2014 establishing a European Account Preservation Order Procedure to facilitate cross-border recovery debts in civil and commercial matters.» The Association organised two seminars on the subject. The first seminar was presented by an International UK Law Firm and the second was presented by the

Association's External Legal Advisors.

In addition, the Association organised two seminars on the "Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property".

This is a newly enacted law which incorporates the EU Mortgage Credit Directive.

Last, but not least, the Association organised a number of seminars on the issues of (1) "Security against armed robbery" and (2) Continuous Professional Training of persons registered in the CYSEC public register.

The Association organised a total of 38 seminars during May 2016 – May 2017 relating to subjects on Banking, Risk Management, Financial Markets, Cybercrime and others.

<b>23 &amp; 24 May 2016</b>	<b>Seminar:</b> "Credit & Loan Restructuring"
<b>30 &amp; 31 May 2016</b>	<b>Seminar:</b> "Bribery and Corruption Controls"
<b>June 2016</b>	<b>Seminar:</b> "Security against armed robbery"
<b>27 &amp; 28 June 2016</b>	<b>Seminar:</b> "International Sanctions and Counter Terrorist Proliferation"
<b>June &amp; July 2016</b>	<b>Seminars:</b> "New Insolvency Legal Framework» and «Foreclosure of Mortgaged Property"
<b>October 2016</b>	<b>Seminars:</b> "New Insolvency Legal Framework» and «Foreclosure of Mortgaged Property"
<b>5 October 2016</b>	<b>Seminar:</b> "4th AML Directive" (regarding the continuous professional training requirements of persons in the public register – CySEC certification)
<b>12 October 2016</b>	<b>Seminar:</b> "Corporate Governance" (regarding the continuous professional training requirements of persons in the public register – CySEC certification)
<b>19 October 2016</b>	<b>Seminar:</b> "Alternative Investment Funds (AIF) and UCITS" (regarding the continuous professional training requirements of persons in the public register – CySEC certification)
<b>4 November 2016</b>	<b>Seminar:</b> "Market Abuse, Insider Dealing, Market Manipulation" (regarding the continuous professional training requirements of persons in the public register – CySEC certification)
<b>14 November 2016</b>	<b>Seminar:</b> "Prevention and Suppression of ML and Terrorist Financing Laws" (regarding the continuous professional training requirements of persons in the public register – CySEC certification)
<b>14 November 2016</b>	<b>Presentation:</b> "Regulation (EU) No 655/2014 of the European Parliament and the Council of 15 May 2014 establishing a European Account Preservation Order Procedure to facilitate cross-border debt recovery in civil and commercial matters"
<b>24 &amp; 25 November 2016</b>	<b>Seminar:</b> "Banks Systems, Payment & Cybercrime"
<b>28 &amp; 29 November 2016</b>	<b>Seminar:</b> "OFAC Sanctions Compliance Workshop"
<b>8 December 2016</b>	<b>Seminar:</b> "Debt for Asset Swap"
<b>10 January 2017</b>	<b>Seminar:</b> "Regulation (EU) No 655/2014 of the European Parliament and the Council of 15 May 2014 establishing a European Account Preservation Order Procedure to facilitate cross-border debt recovery in civil and commercial matters"
<b>26 &amp; 27 January 2017</b>	<b>Seminar:</b> "Improving Performance of your organization through good customer service"
<b>20 &amp; 21 February 2017</b>	<b>Seminar:</b> "Banking Mediation and Negotiation Techniques"
<b>1st March 2017</b>	<b>Presentation</b> of the Commissioner for Personal Data Protection, in relation to the European General Data Protection Regulation
<b>6 &amp; 7 March 2017</b>	<b>Seminar:</b> "Preparing for MiFID 2"
<b>8 March 2017</b>	<b>Seminar:</b> "The Board & Credit Analysis for Non-Executive Directors"
<b>25 &amp; 26 April 2017</b>	<b>Seminar:</b> "Data Protection"
<b>27 &amp; 28 April 2017</b>	<b>Seminar:</b> "Mortgage Credit Law of 2017"

## ARTEMIS BANK INFORMATION SYSTEMS LTD

**T**he passing of another year contributed to the further establishment of Artemis Bank Information Systems Ltd (“Artemis”) as the main Credit Bureau in Cyprus.

The important role that Artemis plays in the local banking system is nowadays widely recognized as Artemis’ data is fully utilized by the banks in the process of assessing the creditworthiness of their existing and prospective customers. The comprehensiveness of information in the Artemis database both in terms of depth (all credit facility types) and breadth (information from all Authorized Credit Institutions) allows a bank to perform a holistic evaluation of the repayment ability of the customer. In this way, the Banks are in better position to implement the European Union’s guidelines for responsible lending. At the same time, Artemis’ data enable the borrower to become aware of his/her total liabilities, either as principal owner/ co-owner or as a guarantor to other borrowers, and consequently to be in a position to practice responsible borrowing.

At the macroeconomic level, the operation of the Artemis Credit Reporting System already has a positive impact on the enhancement, modernization and evolution of the banking system and, by extension, on the ongoing normalization of the functioning of the Cyprus economy.

At the same time, Artemis is constantly engaged in optimizing both its infrastructure and services with an aim to increase the efficiency of services provided to banks and the general public but also to ensure compliance with legal and regulatory obligations of the company. Artemis maintains very good cooperation with the Central Bank of Cyprus and the Office of the

Commissioner for Personal Data Protection for the benefit of the banking system, the public and the Cyprus economy at large.

Since inception Artemis, being fully aware of the importance of its mission, has placed high importance on the protection and respect of individuals’ rights. The company complies fully with the provisions of the “Processing of Personal Data (Protection of Individuals)” Laws and follows strictly the relevant instructions of the Office of the Commissioner for Personal Data Protection. Due to the upcoming implementation of the European General Data Protection Regulation (GDPR) in May 2018 which will replace the above-mentioned national legislation, Artemis has already started its preparatory work which will allow it to adhere fully to the new European regulation. The major changes in Artemis’ operations due to the GDPR will entail the free-of-charge generation of Credit Reports to physical entities applying to the company’s Customer Service Office, the appointment of a Data Protection Officer and the development of codes of conduct intended to contribute to the proper application of the Regulation within the company.

Looking ahead and in line with the operational models of well-established Private Credit Bureaus in Europe, Artemis studies enhancements in its business model both vertically (products) and horizontally (other data categories). The implementation of these plans, which are in line with Troika’s recommendations for the Cyprus economy, are expected to further enhance the important role of Artemis in the mitigation of credit risk, the safeguarding of commercial credit and the promotion of transactions’ reliability.

### info

#### GOALS AND GOVERNING PRINCIPLES

Artemis Bank Information Systems Ltd (Artemis) is a Credit Bureau set up in October 2008 and is a subsidiary company of the Association of Cyprus Banks. Its mission is to collect, maintain and make available information on a database concerning the economic behaviour of businesses and individuals.

**Company Goals:** To the best interest of the Banking System and of all interested parties, Artemis main goals are:

- To support financial operations related to the enhancement, modernization and evolution of the Banking System
- To safeguard commercial credit
- To mitigate credit risk
- To support reliable transactions
- To promote a smooth economic environment

In order to achieve the above goals, Artemis has developed, maintains and manages a Database regarding economic behaviour (‘Database’).

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# 5 | The Association



## BACKGROUND

The Association of Cyprus Banks is a non-profit professional body representing the interests of the banking industry and is supported by subscriptions from its members.

### Our Mission

To be the voice of the Cyprus banking sector domestically and abroad. We achieve this by being a reliable and effective interlocutor, whose positions are being taken seriously into account by all relevant decision-makers who impact banking, legal and regulatory developments.

#### Our mission is achieved by:

- Promoting the interests and cooperation of members with governmental bodies, the House of Representatives, various Ministries, the media and most importantly the Central Bank of Cyprus.
- Influencing the direction of the local regulatory and legislative framework concerning a broad range of issues relating to banking

business and practices both in Cyprus and abroad.

- Collecting a regular flow of documentation and material from local and international organizations regarding economic and financial matters and keeping members informed of developments affecting banking policies and practices.
- Enhancing the relationship with other banking associations, the European Banking Federation, and other influential European or global organizations in the financial sector. Our goal is for the domestic banking community to adopt international banking practices and know-how.
- Generating a better understanding of the value and quality of banking services and the significant contribution of the banking sector in the economic, social and cultural scene of the country.
- Promoting educational and consultative seminars and training courses to the professional staff of banks and encouraging participation in conferences and seminars organized locally and abroad.

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## Publications

The Association of Cyprus Banks publishes the monthly Newsletter and the Cyprus Banking Insight. The Newsletter is addressed only to member banks and aims to inform and update the reader about the Association's main activities, the Director General and the Senior Advisors' meetings with various authorities and organizations concerning the discussion of matters relating to the banking sector, the European Banking Federation Committee meetings where

the Association's representatives participate, and the meetings of the Association's different Committees. As of September of 2016, the Newsletter has been redesigned and formed launched in a digital platform, in order to be more user-friendly and accessible to readers.

The Cyprus Banking Insight is a specialized publication addressed to member banks as well as other individuals or organizations that are interested in current issues relating to the banking sector, both local and overseas. The Cyprus Banking Insight is sent to all member

banks, the Governor and Senior Officers of the Central Bank of Cyprus, the Ministry of Finance and members of various Committees of the House of Representatives. It is also sent to the European Banking Federation and its members. Every issue of the Cyprus Banking Insight contains articles provided by the Association's Senior Advisors, member banks and guest contributors from the broader financial sector, and it addresses about ongoing issues that influence Cyprus' economy and in particular the banking sector.

## ORGANIZATIONAL FRAMEWORK

- **Board of Directors:** The Association of Cyprus Banks is governed by the Board of Directors, whose members are appointed by member banks.
- **Chairman and Vice-Chairmen:** The Association's Chairman is appointed yearly on a rotation basis by the Board of Directors. This position is filled by Board Members appointed by the four largest member banks (according to the total number of employees). There are three Vice-Chairmen, whereby one Vice-Chairman is the Board Member of the largest member bank (or the second-largest, in the years that the Board Member of the largest member is appointed Chairman), and two Vice-Chairmen who are assigned yearly out of the remaining Board Members.
- **Executive Committee:** The Chairman and three Vice-Chairmen

together with the Director General, form the Executive Committee. The Executive Committee decides on pressing matters that require urgent response, represents the Association in meetings with government officials and institutions and implements the general policy, as defined by the Board of Directors.

- **Director General:** The Director General is appointed by the Board of Directors and heads a team of professional and highly qualified staff, manages the running of the day-to-day activities of the Association, makes recommendations to the Board regarding the Association's policies and internal organization, reports on major issues of its operation and supervises all tasks which have been delegated to him according to the Articles of Association of the ACB. The Director General is a non-voting member of the Executive Committee.

- **Interbank Committees:** In order to meet the needs of members and operate efficiently and proactively, the Association has established the following Permanent Interbank Advisory Committees, as well as Working Groups to address specific issues.

### 1 Legal Committee

### 2 Banking Regulation and Supervision Committee

### 3 AML and Regulatory Compliance Committee

### 4 Financial Markets Committee

### 5 Retail & Consumer Affairs Committee

### 6 Accounts & Fiscal Committee

### 7 Organization & Methods Committee

### 8 Internal Audit Committee

### 9 Payments - SEPA Committee

### 10 HR and Training Committee

## The Member Banks

Membership of the Association is open to any institution which is legally authorized to operate as a registered bank, whether local or foreign, in Cyprus, and which can provide banking services. Applications are also accepted by other legal entities such as associations or unions, which are non-profit organizations and whose own members are banking institutions. Participation to the ACB can be either in

the form of Regular or Associate membership. Applications for new membership are subject to approval by the members of the Board of Directors of the Association and subsequently by the General Meeting.

The bank members of the Association offer a diverse range of products and services. Beyond the traditional deposit and lending services, banks have established their own subsidiaries providing short and medium term credit, hire purchase

finance facilities, investment services (such as asset management, investment advice and brokerage), factoring and invoice discounting services, electronic and telephone banking, private banking as well as all types of insurance services. The Association of Cyprus Banks represents 12 banks operating in Cyprus. Member banks employ over more than 10,000 professionals and jointly have are now holding a market share of more than 90% in terms of local lending and deposits.

## THE MEMBER BANKS



### BANK OF CYPRUS PUBLIC COMPANY LTD

Number of branches: **122**  
Number of ATM: **153**  
Number of employees: **3,660**  
Head Office: **51 Stasinou Street, Ayia Paraskevi, 2002 Strovolos**  
**P.O.Box 21472, 1599 Nicosia**  
**Tel: 22122100, Fax: 22378111**  
[www.bankofcyprus.com](http://www.bankofcyprus.com)



### HELLENIC BANK PUBLIC COMPANY LTD

Number of branches: **53**  
Number of ATM: **68**  
Number of employees: **1,521**  
Head Office: **Limassol Ave. & 200 Athalassas Ave. Corner, 2025 Strovolos**  
**P.O. Box 24747, 1394 Nicosia**  
**Tel.: 22500000, Fax: 22500050**  
[www.hellenicbank.com](http://www.hellenicbank.com)



### ALPHA BANK CYPRUS LTD

Number of branches: **22**  
Number of ATM: **26**  
Number of employees: **650**  
Head Office: **Alpha Bank Building, 3 Lemesou Avenue,**  
**2112 Aglantzia, Nicosia, P.O.Box 21661, 1596 Nicosia**  
**Tel: 22888888, Fax: 22773788**  
[www.alphabank.com.cy](http://www.alphabank.com.cy)



### NATIONAL BANK OF GREECE (CYPRUS) LTD

Number of branches: **9**  
Number of ATM: **13**  
Number of employees: **242**  
Head Office: **15, Arc. Makarios III Avenue, 1065 Nicosia**  
**P.O.Box 21191, 1597 Nicosia**  
**Tel: 22040000, Fax: 22840010**  
[www.nbg.com.cy](http://www.nbg.com.cy)



### USB BANK PLC

Number of branches: **14**  
Number of ATM: **17**  
Number of employees: **237**  
Head Office: **83 Digeni Akrita Avenue, 1070 Nicosia**  
**P.O.Box 28510, 2080 Nicosia**  
**Tel: 22883333, Fax: 22875899**  
[www.usbbank.com.cy](http://www.usbbank.com.cy)



### CDBBANK

Number of branches: **2**  
Number of ATM: **2**  
Number of employees: **137**  
Head Office: **50 Arch. Makariou III Avenue, P.O.Box 21415, 1508 Nicosia**  
**Tel: 22846500 Fax: 22846600**  
[www.cdb.com.cy](http://www.cdb.com.cy)



### SOCIETE GENERALE BANK - CYPRUS LIMITED

Number of branches: **4**  
 Number of ATM: **4**  
 Number of employees: **104**  
 Head Office: **20 Ayias Paraskevis Str., 2002 Strovolos,  
 P.O. Box 25400, 1309 Nicosia**  
**Tel: 80007777, Fax: 22399700**  
[www.sgbcy.com](http://www.sgbcy.com)



### ASTROBANK

Number of branches: **13**  
 Number of ATM: **13**  
 Number of employees: **305**  
 Head Office: **1 Spyrou Kyprianou Avenue, 1065 Nicosia  
 P.O.Box 25700, 1393 Nicosia**  
**Tel: 80011800 (24 hours), Fax: 22760890**  
[www.astrobank.com](http://www.astrobank.com)



### EUROBANK CYPRUS LTD

Number of branches: **8**  
 Number of ATM: **0**  
 Number of employees: **305**  
 Head Office: **41 Arch. Makariou III Ave., 1065 Nicosia**  
**Tel: 22208000, Fax: 22776722**  
[www.eurobank.com.cy](http://www.eurobank.com.cy)



### RCB BANK LTD

Number of branches: **6**  
 Number of ATM: **6**  
 Number of employees: **306**  
 Head Office: **2 Amathuntos Street, 3105 Limassol,  
 P.O.Box 56868, 3310 Limassol**  
**Tel: 25837300, Fax: 25342192**  
[www.rcbcy.com](http://www.rcbcy.com)



### COOPERATIVE CENTRAL BANK LTD

Number of branches: **246**  
 Number of ATM: **175**  
 Number of employees: **2,677**  
 Head Office: **8, Gregoris Afxentiou Str. 1096 Nicosia,  
 P.O.Box 24537, 1389 Nicosia**  
**Tel: 22743000, Fax: 22676510**  
[www.ccb.coop.com.cy](http://www.ccb.coop.com.cy)



### ANCORIA BANK

Number of branches: **3**  
 Number of ATM: **5**  
 Number of employees: **66**  
 Head Office: **12 Demostheni Severi Avenue, 1st Floor, 1080 Nicosia  
 P.O.Box 23418, 1683 Nicosia,**  
**Tel: 22849000, Fax: 22849002**  
[www.ancoriabank.com](http://www.ancoriabank.com)



Οργανισμός Χρηματοδότησης Στέγης

Associate Member: **HOUSING FINANCE CORPORATION**



## ASSOCIATION'S EVENTS AND MILESTONES IN 2016 & 2017

**23**

**JUNE  
2016**

Annual General Meeting of the Association of Cyprus Banks

**28**

**JULY  
2016**

The Association participated in the Forum «De-Risking and the Fight Against Money Laundering & Terrorist Financing» organized in Cyprus by the World Union of Arab Bankers - Introduction by Mr. Michael Kammas

**01**

**DECEMBER  
2016**

4th Cyprus Banking Forum - Organized in association with IMH and Gold Magazine

**07**

**FEBRUARY  
2017**

Workshop for members of the Board of Directors of Banks on the key matters emanating from the new EU Directive and Regulation that govern the audit profession - Introduction by Mr. Michael Kammas - Organized in association with ICPAC and ICAEW

**20**

**FEBRUARY  
2017 -**

**02  
APRIL  
2017**

The Association together with Junior Achievement Cyprus conducted the program «More than Money» in elementary schools in Cyprus

**28**

**APRIL  
2016**

Publication of «Cyprus Banking Insight» magazine







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ANNUAL *review* 2016-17