



ASSOCIATION OF CYPRUS BANKS

ANNUAL REVIEW 2018-19

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1 Introduction

50 YEAR ANNIVERSARY OF THE ASSOCIATION OF CYPRUS BANKS



DR. MICHAEL KAMMAS
Director General

IN THE LAST YEAR OF THE 60'S, when Cyprus was a young republic counting less than ten years since gaining independence, the need arose for banks in the country to formulate and promote common positions.

Half a century later, the Association of Cyprus Banks remains the voice of the Cyprus banking system, having grown, evolved and adapted along the way to meet the challenges and demands it came across.

During its course, the Association of Cyprus Banks has proved itself to be a reliable, consistent and productive partner of organizations, institutions and agencies within Cyprus as well as abroad. Being committed to constructive dialogue, the Association continues to act as an integral member of the community and economy, with the aim of serving the common good, growth and prosperity of its members and beyond.

The fifty-year course of the Association of Cyprus Banks can be divided into two main periods:

1. The period from inception until the 90s; and
2. The period covering pre-accession developments, EU membership and euro membership.

The latest fifteen to twenty years have been defining for the Republic of Cyprus and consequently for the Association of Cyprus Banks, whose role is intertwined with the economic and financial developments of the country.

At this point it would be remiss not to mention important projects carried out by the Association over the past two decades.

The work carried out during the period prior to EU accession has been very important, as it ensured that the banking sector became ready for Cyprus's European course. The successful conclusion of this project was marked by the parallel EU accession of Cyprus, together with nine other candidate countries, in 2004. This was followed by the euro adoption project, a complex, laborious and lengthy exercise. Eventually the Cyprus pound was superseded by the common European currency, the euro, as the means of exchange of Cypriot households and businesses.

The crisis of 2013

The year 2013 marked a crossroad for the Cyprus economy and especially for the banking sector. The accumulated problems in the economy and banks brought about the painful Eurogroup Summit decisions in March

2013. Following this, an austere program of adjustment to the new realities was implemented in Cyprus through the three-year economic assistance program agreed with the Troika. In addition to financial aid, the international lenders promoted structural reforms which, among others, included legislation on banking matters. The Association of Cyprus Banks was actively involved in the consultations for the formulation of a series of regulatory and legislative measures aimed at improving the functioning of the banking system and the economy at large.

Three years later, Cyprus managed to successfully conclude the macro-economic adjustment program without requiring additional funding, austerity measures or lengthening of the program. At the same time, there was a steady reduction in the level of non-performing loans, even as the pressure on households and businesses was intense due to the recession and high unemployment during the first years of the program. The work of Cypriot banks and, by extension, the Association, was made more demanding by this state of the economy in combination with the new stricter supervision and regulatory requirements.

Looking at the challenges ahead

Banking challenges are proliferating on multiple levels, in Cyprus as well as internationally. The ever-increasing rate of technological advancements, in combination with the new market demands and continuing funding needs of households and enterprises, are driving banking developments.

Banks are navigating this sea-change in technology to plan their future, while at the same time trying to resolve their remaining legacy issues. Looking ahead, advancements in technology will be harnessed to provide greater responsiveness, security and quality of service for bank customers.

The cornerstone of the mission of the Association and its members remains the innovation, change, adaptability, launching of new services, improvement of service levels as well as the contribution to the country's economic development.

Our expectation is that the Association's future will continue to be based on the pillars of growth, constant evolution to new demands, and consensual solutions for the benefit of the banking system, the economy and the welfare of our society.

The 50 YEARS OF THE ASSOCIATION OF CYPRUS BANKS at a glance

THE ASSOCIATION of Cyprus Banks is established as the liaison body on behalf of banks in Cyprus.

REORGANIZATION and introduction of a new formation for the two associations under one legal entity and with a common Board of Directors.

PREPARATORY WORK and coordination role carried out by the Association, for the successful entry into the eurozone.

REGISTRATION of the trademarks of both Associations with the Registrar of Companies and Official Receiver

THE ECONOMIC CRISIS of 2013 turns the focus of the Association to the preparatory work for the overhaul of the legal framework that profoundly changes the modus operandi of the local banking sector. The legacy of that work is the reorganization of the banking sector, the decrease of NPL levels and the introduction of fresh tools and procedures that are aligned with best practices in other western economies.

GOLDEN ANNIVERSARY: The Association is celebrating 50 years of service to the banking sector and the economy of Cyprus.

1965



FORMATION of the Cyprus Bankers Employers' Association as a Union, with a mission to represent the employers' side during collective agreement negotiations with the employees' union. That Association was the precursor of the Association of Cyprus Banks.

1969



ENTRY to the European Banking Federation as a Correspondent Association.

1999



CYPRUS'S ACCESSION to the EU, together with nine other countries. The Association of Cyprus Bank becomes a full member of EBF.

2001



SMOOTH ADOPTION of the euro both in Cyprus and the local banking sector.

2004



UNDER THE INITIATIVE of the Association, the formation of the first credit bureau in Cyprus takes place under the name "Artemis". Today Artemis, a subsidiary of the Association, provides a wide range of services to safeguard commercial credit, mitigate credit risk and promote the reliability of transactions in Cyprus.

2006



2008



2013



THE SUCCESSFUL conclusion of the three year stability program that Cyprus implemented under the economic agreement with its international lenders, is largely based on the cooperation of all stakeholders: the government, the House of Representatives and the banking sector. Throughout this period of unprecedented circumstances, the Association acts as the voice of the banks in Cyprus.

2016

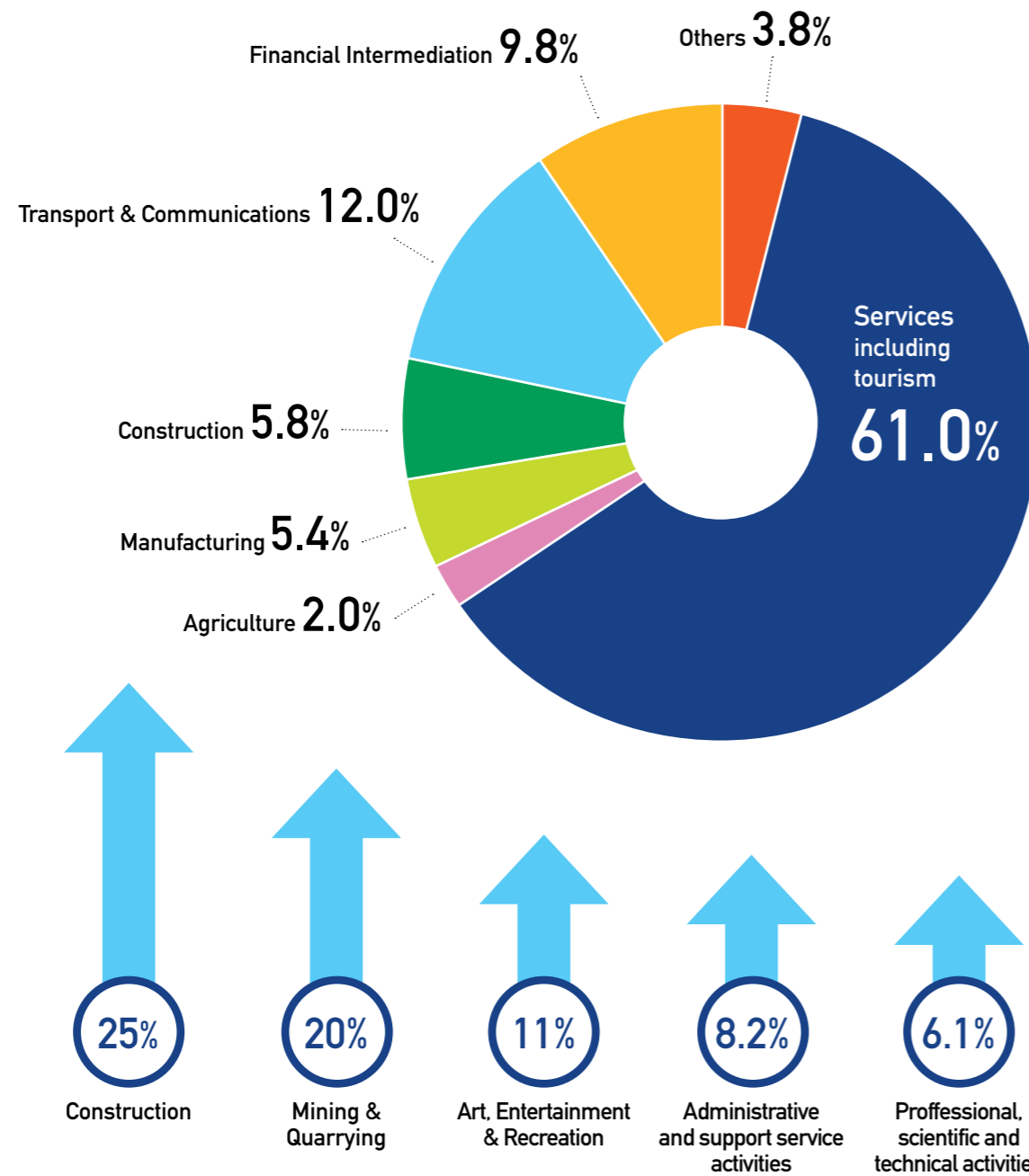


2019



2 Economic Environment

PERCENTAGE DISTRIBUTION OF 2018 GDP



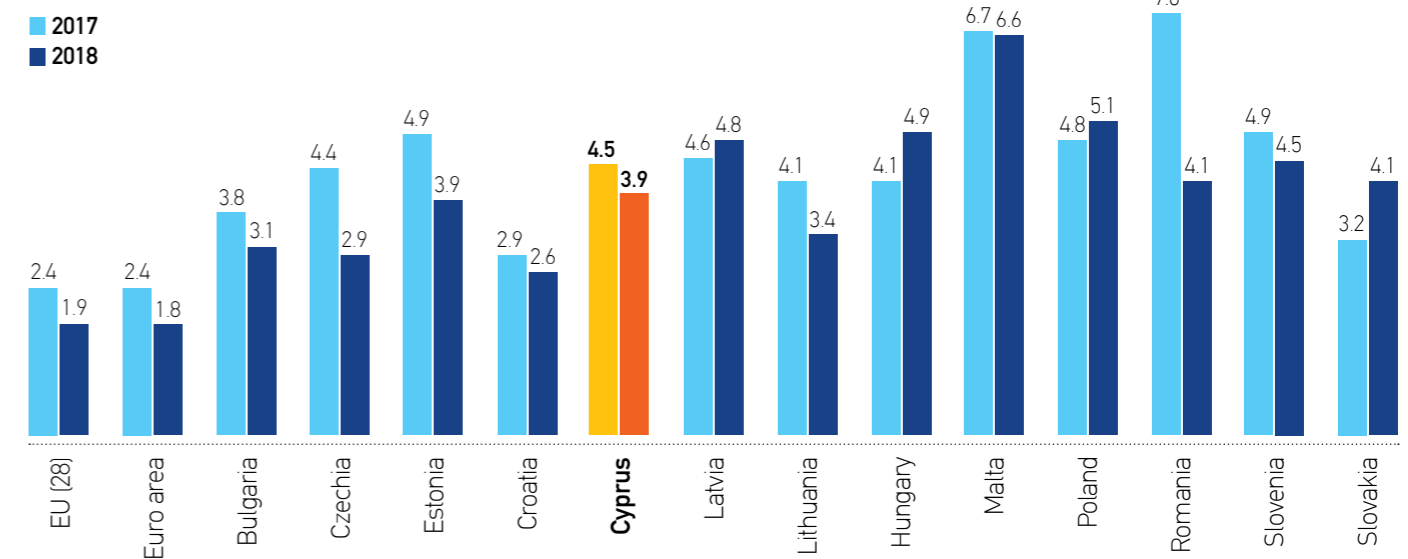
Source: Statistical Service of Cyprus (provisional data for 2018)

GDP REAL, % CHANGE

	2013	2014	2015	2016	2017	2018	2019F
Cyprus	-5.8	-1.3	2.0	4.8	4.5	3.9	3.1
EUR 28	0.3	1.8	2.3	2.0	2.4	1.9	1.5
Euro Area	-0.3	1.4	2.1	2.0	2.4	1.8	1.3
UK	2.0	2.9	2.3	1.8	1.8	1.4	1.3
USA	1.7	2.5	2.9	1.6	2.2	2.9	2.6

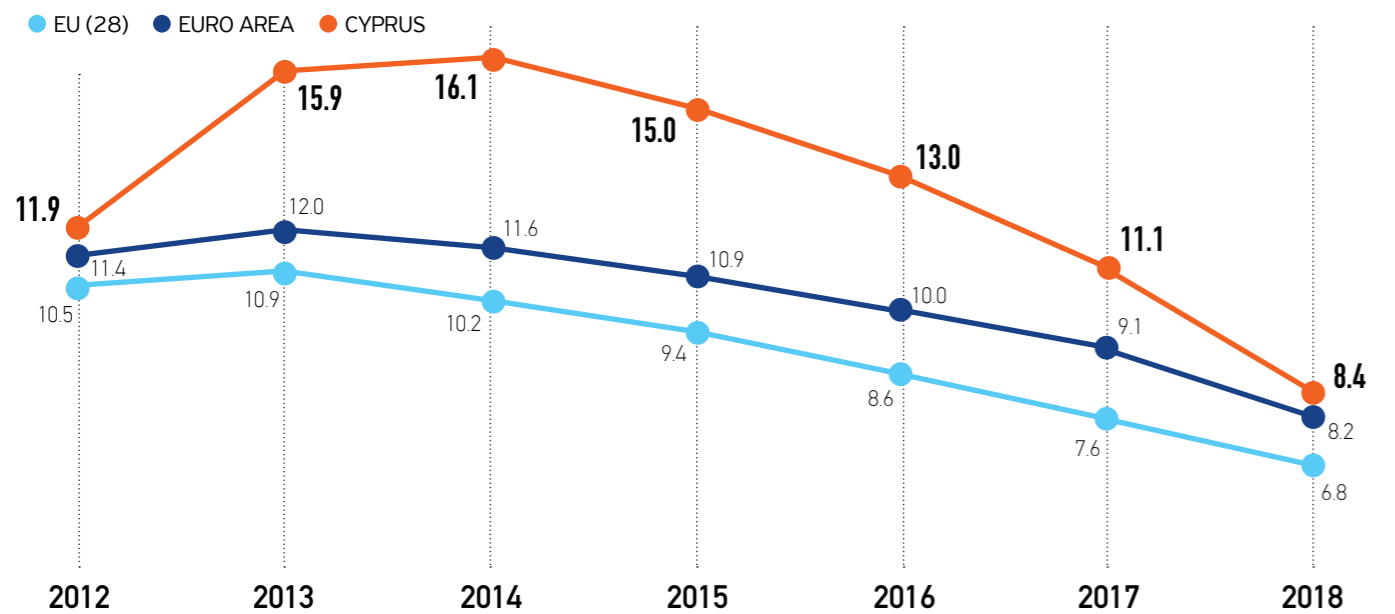
Source: Eurostat, European Commission

REAL GDP GROWTH RATE %



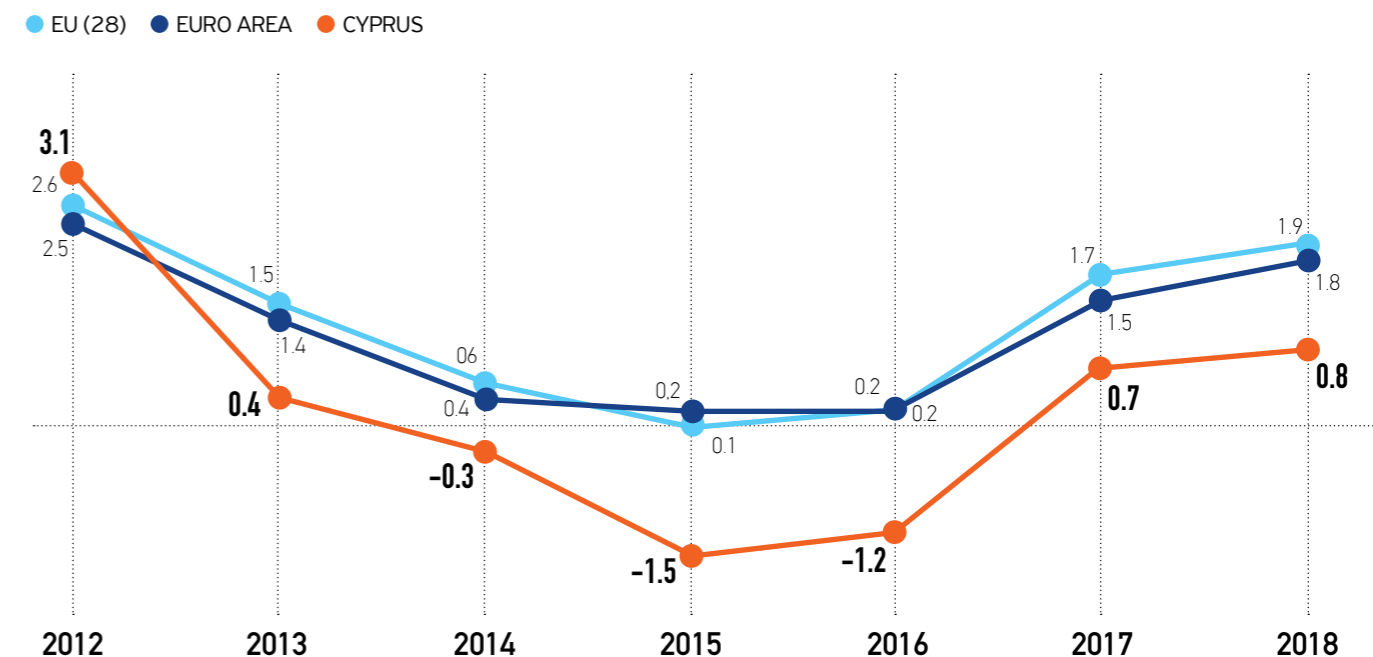
Source: Eurostat

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



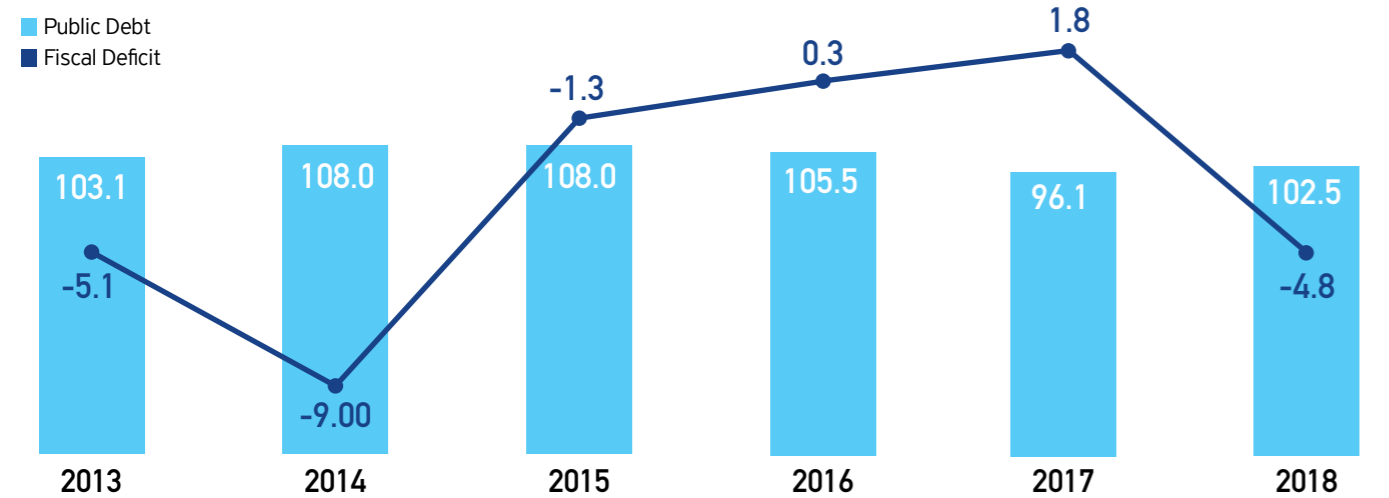
Source: Eurostat

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



Source: Eurostat

PUBLIC DEBT & FISCAL DEFICIT, % OF GDP



Source: Eurostat, Ministry of Finance

CYPRUS MAJOR ECONOMIC INDICATORS

	2015	2016	2017	2018	2019F
GDP Real Growth % Change*	2.0%	4.8%	4.5%	3.9%	3.1%
GDP At Current Prices EUR mil.	17,746	18,490	19,649	20,731	N/A
GDP Per Capita EUR	20,934	21,712	22,861	23,848	N/A
GDP Per Capita (PPS) EU 28=100	82	84	85	N/A	N/A
Unemployment %	15.0	13.0	11.1	8.4	6.3
Inflation Rate % Change*	-1.5	-1.2	0.7	0.8	0.7
Current Account Balance % of GDP	-2.0	-5.1	-8.4	-8.2	-9.3
Fiscal Surplus / Deficit % of GDP	-1.3%	0.3%	1.8%	-4.8%	3.0%
Total Public Debt** % of GDP	108.0%	105.5%	96.1%	102.5%	96.4%
Total Public Debt** EUR mil.	19,164	19,509	18,814	21,258	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

3 The Banking Sector

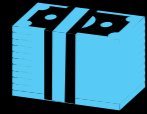
BANKING SECTOR STATISTICS (31/12/18)

DEPOSITS (EUR bn)



47.9

LOANS (EUR bn)



39.2

BRANCHES



384

PERSONNEL



8,940

BRANCHES OF FINANCIAL INSTITUTIONS PER 100,000 INHABITANTS



44

The banking sector in Cyprus comprises of domestic banks and international banks with Cyprus based subsidiaries or branches. 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 34 authorized credit institutions in Cyprus, consisting of seven local authorized credit institutions, three subsidiaries of foreign banks from E.U. member states, two subsidiaries of foreign banks from non-E.U. member states, five branches of banks from E.U. member states, 15 branches of banks from non-E.U. member states and two representative offices.

2018 NEW LENDING IN CYPRUS



TOTAL (EURO BN.)
3.14

HOUSEHOLDS
1.21
(EURO BN.)

CORPORATE
1.93
(EURO BN.)

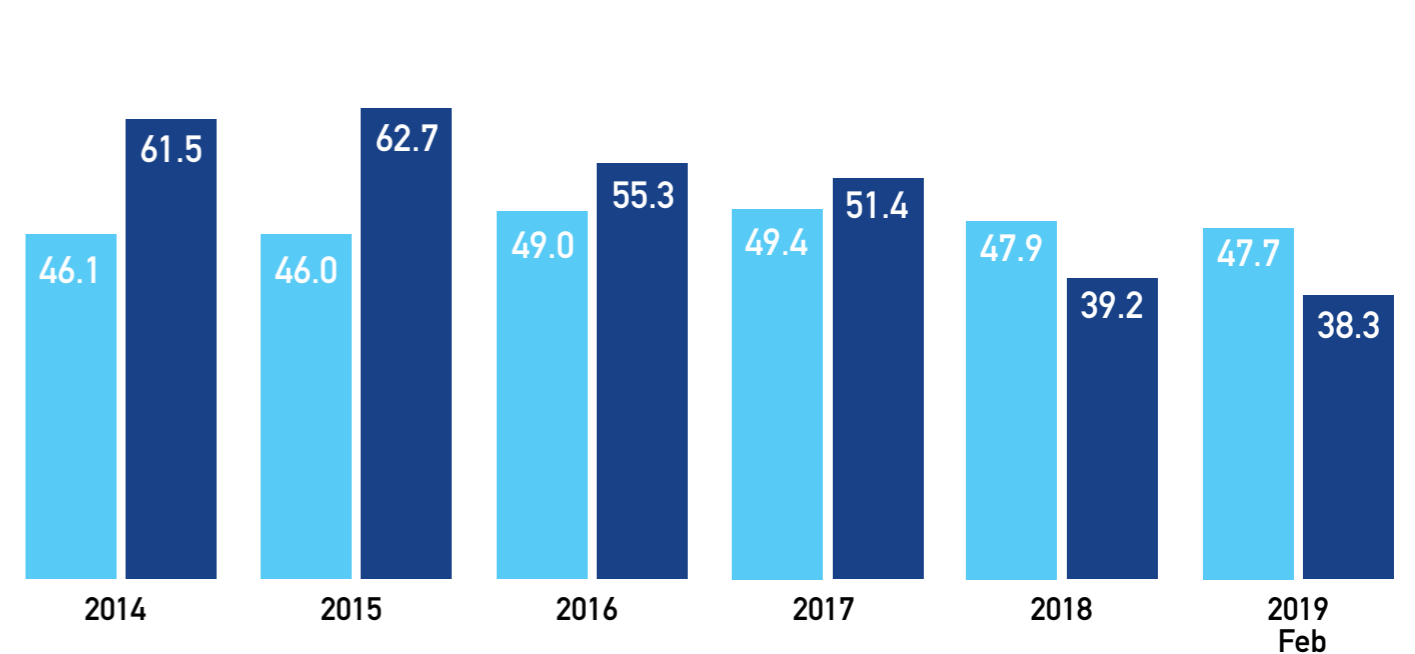
Source: Central Bank of Cyprus

BANK CREDIT BY SECTOR

	END OF PERIOD BALANCES (EURO MN)		OUTSTANDING AMOUNT AS A % OF TOTAL		ANNUAL % CHANGE
	2017	2018	2017	2018	
General Government	765	196	1.5%	0.5%	-74.3%
Other financial intermediaries	8,192	5,952	16.0%	15.2%	-27.3%
Insurance corporations & pension funds	14	18	0.0%	0.0%	32.8%
Non-financial corporations	20,721	18,150	40.4%	46.3%	-12.4%
Consumer credit	2,576	1,872	5.0%	4.8%	-27.3%
Housing loans	12,420	9,668	24.2%	24.7%	-22.2%
Other household loans	6,665	3,345	13.0%	8.5%	-49.8%
TOTALS	51,352	39,202			-23.7%

Source: Central Bank of Cyprus

DEPOSITS AND LOANS



Source: Central Bank of Cyprus

4 Year Under Review



**MICHAEL
KRONIDES**
Manager

ESTIA SCHEME

THE MANAGEMENT of non-performing exposures (NPEs) remains the biggest challenge facing the Cypriot banking sector. Since 2015, non-performing facilities have decreased from €27.3bn to €11.1bn following considerable efforts and effective management by Banks. Nevertheless, recent developments in the European banking sector as well as the pressing need to complete the Banking Union, necessitate the continuation of efforts by Banks to further reduce the stock of NPEs to a level close to the European average.

In July 2018, the Cypriot government announced the Estia Scheme (Scheme) with primary objective to achieve a socially acceptable solution by offering assistance to distressed borrowers with non-performing loans secured by a primary residence. The Scheme aims to assist borrowers facing financial difficulties, to assist Banks to manage effectively their NPEs and to contribute towards further deleveraging of households and SMEs. It is a one-off Scheme, where borrowers that meet certain income and wealth eligibility criteria will be offered an opportunity to restructure their loan/s with pre-defined terms and conditions.

The Scheme will be available to borrowers that fulfil all of the following criteria:

- Physical persons or SMEs
- Non-performing facilities as at 30 September 2017
- Loan/s secured by mortgage on primary residence
- Market value of primary residence not exceeding €350,000
- Household annual income not exceeding pre-specified range

Banks will assess whether the applicant is viable and has the required repayment ability and will offer eligible and viable applicants a standardized restructuring solution with the following features:

- Restructured amount will not exceed the lower of the outstanding debt and the market value of the primary residence
 - Interest rate for the first 7 years will be based on the 6-month Euribor plus 2.5% (cap at 3.5%) and thereafter on the 6-month Euribor plus 2% with no cap
 - Repayment period not exceeding 25 years
- Any residual contractual loan amount remaining will be parked/frozen and will be written-off upon full repayment of the new restructured loan.

Upon restructuring, the borrower will be granted a state subsidy. He will repay monthly 2/3 of the loan installment and the State (once a year) will cover the remaining 1/3.

The Association has taken on a coordinating role between participating Banks (including a local credit acquiring company) and public authorities. The coordination revolves around two main areas. Firstly, legal and other practical issues relating to the Memorandum of Understanding to be signed with the State Agency, personal data protection issues, procedures and time-schedule to be followed, application forms and other necessary documentation. Secondly, the development of an electronic platform where Banks will upload the application forms and other relevant documentation so as to enable the State Agency to check and approve the borrower's application. In order to operate the platform, the Association is working closely with a third-party software provider, its subsidiary Artemis Banking Information Systems Ltd and all participant Banks.

The Estia Scheme is expected to be officially launched within the first half of 2019 and will offer an opportunity to both households and SMEs to reduce uncertainty and to settle their debts. At the same time, the Estia Scheme will enable Banks to manage effectively this sensitive part of their NPE portfolio where loan security involves primary residences.



**CHRISTINA
ANTONIOU
PIERIDES**
Senior Advisor

AGREEMENT WITH TAX DEPARTMENT FOR THE TAX TREATMENT OF PROVISIONS

THE ASSOCIATION concluded negotiations with the Tax Department with regards to the tax treatment of bank provisions. This agreement covers provisions up to and including the financial year 2017. Representatives of the Association and member banks met on numerous occasions with representatives of the Tax Department and provided them with detailed numerical examples to explain how banks calculate provisions, both for loans individually assessed as well as loans where the percentage of impairment is collectively assessed ("collective specific").

The Tax Department determined that individually assessed provisions as well as collective specific provisions will be deductible from taxable income, subject to certain exemptions (such as IBNR provisions and provisions made during the first year that a loan is given). To a large degree, this aligns the tax treatment of individually assessed and collective specific provisions with their accounting treatment (under the International Financial Reporting Standards (IFRS) applicable during that time period), as well as with the directives of the Central Bank of Cyprus for loan impairment and provisioning procedures.

CONSULTATION FOR THE REVISION OF STAMP DUTY LAW AND METHODOLOGY

DURING the course of banking operations, member banks of the Association act on behalf of the state as collectors of stamp duty from their customers. The current law on stamp duty, which has been in place since 1963, was amended a number of times to keep up with changes in state policies and bank operations. The Association has engaged with the Ministry of Finance on past occasions to clarify the calculation methodology of stamp duty and has expressly called for the need to revise the law.

In late 2018, the Ministry of Finance asked the Association to engage in consultation to create a new law on stamp duty which will replace the existing one. Following a number of meetings of the relevant committee of the Association, as well as a meeting with Ministry of Finance, Tax Department and Stamp Duty officials, the Association submitted specific amendments to the draft law. Our suggestions aim to:

- Clarify the terms and remove ambiguity on the calculation of stamp duty
 - Treat citizens fairly regarding the imposition of stamp duty
 - Maintain the revenue of the state from this tax
 - Simplify the procedures in the calculation and payment of the tax, both for banks as well as for the Tax Department
 - Harmonize practice across the banking sector
- The new law is scheduled to be submitted to the Council of Ministers and then the House of Parliament in the second part of 2019.

BREXIT

REPRESENTATIVES of the Association took part in roundtable discussions held by the Foreign Ministry and the Cyprus Chamber of Commerce to address developments relating to Brexit and the possible impact on the various economic sectors of Cyprus. In addition, the Association attended a discussion with the British High Commissioner and a discussion with the Deputy Secretary General of the European Commission, in which members' concerns were communicated. During the Brexit negotiations, the Association kept members informed regarding ongoing developments and provided information on its website to address bank clients' concerns about the possible effects of a hard Brexit on their daily banking transactions.

FORECLOSURES OF MORTGAGED REAL ESTATE

REPRESENTATIVES of the Association and member banks met with the Director of the Land Registry Department to exchange views on issues arising during the auction process. The Association liaised with the Land Registry Department to resolve certain issues regarding the auctioneers as well as to provide suggestions for possible amendments for the better functioning of the auction process. In addition, it communicated members' concerns and proposed solutions to other stakeholders, such as the Tax Department, Town Planning Department, the Cyprus Scientific and Technical Chamber and the Union of Cyprus Communities, for practical issues occurring before, as well as during and after the auction process.



MARIA IOANNOU
Senior Advisor

LAW N.64 (I)/2017 ON THE COMPARABILITY OF FEES RELATED TO PAYMENT ACCOUNTS, PAYMENT ACCOUNT SWITCHING AND ACCESS TO PAYMENT ACCOUNTS WITH BASIC FEATURES

THE APPOINTED representatives of the Ad hoc Committee of the Association responsible for the above issue held meetings regarding the preparation of the Fee Information Document (FID) within the context of the above Legislation and in accordance with the Guidelines of the Central Bank of Cyprus (CBC) (Κ.Δ.Π.225/2017 and Κ.Δ.Π.264/2018). The CBC Guidelines had been drafted to define the fourteen (14) representative services that are linked to a bank account with basic features to be included in the FID. These are fees relating to the maintenance of accounts, debit and credit cards, cash withdrawals, provision of cheque books, credit and debit transfers, standing orders, currency exchange rates, copy of statements and overdraft and overrunning facilities. The first FID was made available to consumers on 31 October 2018. The FID aims to inform consumers about the various payment account offers available in the market. In addition to the above, at the beginning of 2020, financial institutions will provide bank customers with a Statement of Fees (SOF) which shall include all fees, charges and interest rates imposed on bank accounts with basic features for the period starting November 2018 until December 2019.

N.41(I)/2017 - BILL ON CREDIT AGREEMENTS FOR CONSUMERS RELATING TO RESIDENTIAL IMMOVABLE PROPERTY (2018)

THE NATIONAL LAW N.41 (I) / 2017 on credit agreements for consumers relating to residential immovable property was passed in 2017. However, in 2018, the Commission identified a harmonization gap in the law as Articles 15(2) and 15(3) of the European Directive 2014/17/EU had not been transposed. A meeting of the Parliamentary Committee on Financial and Budgetary Affairs was therefore held in order to discuss the above issue. Nevertheless, the Bill was voted down by the House of Representatives in January 2019. Following this,

the European Commission informed the Ministry of Finance that if the national legislation is not fully harmonized with the provisions of the EU Directive, it may impose a penalty on the Republic of Cyprus. As a result, the Ministry of Finance re-introduced the Bill for discussion in February 2019 to the relevant Parliamentary Committee with a view to its re-examination and subsequent submission for vote to the Plenary. The Association participated in all meetings of the Parliamentary Committee and submitted its views. The Bill was eventually passed by the House of Representatives on 15 March 2019.

"E-IDENTITY MODEL"

FOLLOWING an invitation of the Ministry of Interior, the Association attended a meeting on the introduction of the electronic identification and electronic signatures in Cyprus. The Government aims to promote a national mechanism for electronic identification and electronic signatures to citizens and proposed the adoption of the national «e-Identity» model by both the public and banking sector.

Based on this model, the e-Identification and e-signatures certificates shall be issued by any Authorized Trust Service Provider which complies with the legislation and procedures under the National Framework. The Association and its member banks are currently under deliberations with the Ministry of Interior on this matter.

FINANCIAL EDUCATION

FOR THE FOURTH consecutive year, the Association in cooperation with Junior Achievement Cyprus (JA Cyprus) and the Ministry of Education, implemented the program "More than Money". The program ran from 20 February 2019 – 31 March 2019 at 17 primary schools all over Cyprus (730 students of the 6th Grade, 37 classes, 35 mentors-educators from banks and other financial institutions). The aim of the program is to familiarize children with basic financial concepts such as income, expenses and savings. A new educational program will also be introduced during the end of 2019 to 13-15 year old students (Gymnasium) with the support of the Ministry of Education and JA Cyprus.



DR. YIANNOS ROSSIDES
Head of Human Resources, Social Affairs, Training and Development

HUMAN RESOURCES, SOCIAL AFFAIRS, TRAINING AND DEVELOPMENT

THE DEPARTMENT offers high value services to the members of the Association in the areas of human resources, training and labour relations. The experienced officers of the department are readily available to support member-banks upon their request. The department facilitates the coordination and exchange of information between members of the Association in matters related to labour legislation and regulations, as well as collective agreements.

One of the main activities of the department is to represent the Association in the Banking Committee for European Social Affairs (BCESA) of the European Banking Federation (EBF). Dr. Kammass, Director-General of the Association holds the position of Vice Chairman since 2013, an honorary distinction for the Association as well as Cyprus.

The department prepared and published the following surveys for its member-banks in 2018:

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

In addition, the department contributed to the report of the Italian Banking Association, "The Labour Market in the Financial Industry", which is distributed to all member Associations of the EBF.

EBF-BCESA

THE ASSOCIATION was represented at the 63rd, 64th, and 65th meetings of the European Banking Federation – Banking Committee for European Social Affairs (EBF-BCESA).

EBF-BCESA represents the European banking sector and the National Banking Associations in discussions with European institutions. One of the main tasks of the banking committee is the implementation of the 2nd Pillar of the joint project between the European social partners on the impact of regulations implemented in the banking sector after the 2008 crisis on employment.

The committee along with its other European social counterparts is also in the process of exchanging ideas on a possible joint declaration on the topic "employment aspects of providing financial services".

EUROPEAN SECTORAL SOCIAL DIALOGUE BANKING (SSDB)

THE ASSOCIATION represented EBF-BCESA in the meetings for the European SSDB, which took place in Brussels. The main achievement of the European social partners in banking during 2018 was the agreement on the joint declaration on the Impact of Digitalization on Employment, which was signed on November 30, 2018.

CYBERCRIME

THE ASSOCIATION, and its member-banks, follow closely the issue of cybercrime and its trends. The election of a Chairman of the Cybercrime WG among member-banks who represented the Association in the meetings of the respective working group of the EBF, enhanced the Association's commitment to Cybersecurity initiative both locally and abroad. The valuable information obtained from participating in this WG has been shared with member-banks. At the local level, the Association is cooperating with all relevant bodies to promote the importance and role of cybersecurity in the sector. Moreover, the Association responds to member requests for coordination when needed and disseminates important information received by the EBF, and EUROPOL.

PHYSICAL SECURITY

AFTER THE INCREASE in physical robberies noted in the 2nd half of 2017, 2018 was a quiet year with only one robbery and one attempt taking place in the 1st semester of the year. The continued implementation of the physical security measures by the members of the Association since 2012 is a valuable deterrent in the combat against robberies. Close cooperation with the police and coordination with member banks is another important factor to minimize criminal activities against bank branches. The relevant working group 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 an annual report presenting an overview of the physical attacks (e.g. bank robberies, ATM attacks) against bank branches occurring in Cyprus. The data collected are then included in the annual publication of the European Banking Federation, named "EBF Security Report". The report presents the situation and current trends regarding bank robberies and other physical attacks in the European banking sector.



**MARIOS
NICOLAOU**
Senior Advisor

PAYMENT SERVICES DIRECTIVE 2

THE REVISED Payment Services Directive (PSD2) was officially put into pan-European effect in January 2018. It aims towards promoting payment innovation through “Open banking” and “Instant payments”, enhancing competition by providing additional legal rights to non-banking payment institutions, increasing payment safety and extending the scope of payment transactions in terms of currency and location of payer or payee.

Over the last two years, the Association has formed a PSD2 Working group and 4 subgroups, each one dealing with different aspects of the Directive. Special emphasis was put in understanding and analyzing the 11 European Banking Authority (EBA) - Mandates relating to the PSD2, some of which have already been incorporated in the PSD-based National Law.

The said Law was eventually approved by the Cypriot Parliament in April 2018. The remaining EBA Mandates have been recently finalized by the EBA and are expected to be put into effect by the end of 2019.

AMENDMENT OF THE BANK ACCOUNT SWITCHING CODE

THE 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 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.

In view of the above, a working group was formed at the Association, in order to amend the Code according to PAD's provisions. The new Code has been finalized by the Associations' working group and it was recently approved by the Central Bank of Cyprus. It is expected to be put in use within the next couple of months.

INSTANT PAYMENTS

THE SEPA Credit Transfer Instant Payments Scheme (SCT Inst) is the fourth payment scheme made available by the EPC, after the SEPA Credit Transfer, the SEPA Direct Debit Core, and the SEPA Direct Debit Business-to-Business schemes.

SCT Inst works like a regular SEPA credit transfer but much, faster. Instead of having to wait up to one business day to see the money credited in the account, the beneficiary receives the funds in ten seconds maximum. To limit the risk of fraud, the maximum amount per SCT Inst transaction is limited to 15,000 euros for the time being. Though SCT Inst is currently not yet pan-European, it has the potential geographical scope to cover all 34 European countries and territories. As the scheme is optional (there is no European regulation mandating its implementation yet), it is up to each Bank to decide to join the instant payments journey.

Having the above in mind, the Association has co-operated with the Central Bank of Cyprus and organized a number of informative seminars and meeting with its member banks in order to examine all possible options before taking appropriate action.



**ELENA
FRIXOU**
Senior Legal
Advisor

COMBATTING MONEY LAUNDERING AND TERRORIST FINANCING

THE ASSOCIATION plays an instrumental role in the process of the review and update of the Anti-Money Laundering Countering Terrorist Financing (AML/CFT) Legislative and 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.

During 2018, the Association actively took part in the following processes:

a) The transposition of the Fourth Anti-Money Laundering Directive 2015/849 (the ‘EU Directive’) into the Cyprus AML/CFT legislative framework, which was effected with the publishing of the amended Cyprus AML/CFT Law in April 2018.

b) The consultation process in relation to the new CBC AML/CFT Directive fifth edition, published in March 2019. The new CBC AML/CFT Directive provides analytical guidance in relation to the application of the various provisions of the AML/CFT Law.

c) The Association took part in the First National Risk Assessment of Money Laundering and Terrorist Financing Risks (NRA) carried out by the Cypriot Authorities. The NRA was a major step forward in further enhancing a comprehensive and shared understanding of the inherent risks, the strengths of the current AML/CFT regime and in identifying areas where defences across all involved bodies could be developed further.

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 processes for the amendments of the current AML/CFT Directive of the

European Union and other related processes for the strengthening of the fight against ML/TF.

DATA PROTECTION FRAMEWORK

THE ASSOCIATION has taken part in the consultation regarding the ‘The Protection of Natural Persons against the Processing of their Personal Data and the Free Movement of such Data Law, which was issued in July 2018.

Its aim is the effective application of certain provisions of the EU General Data Protection Regulation 2016/679 (GDPR) into Cyprus domestic law and the exercise of certain member state derogations designated in the GDPR.

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 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.



DR. DEMETRA VALIANTI PLATI
Head of Legal Department

E-AUCTIONS PROJECT

THE ASSOCIATION took the initiative for the setting up of an e-auctions system in Cyprus which will allow member banks and other mortgagees to perform foreclosures of mortgaged property under Law 1965 (9/1965). The e-auctions procedure will be set out in a Ministerial Order issued by the Minister of Finance. The e-auctions platform developed by the Association will be in full compliance with the Law 1965 (9/1965), the Ministerial Order, GDPR and other applicable laws and regulations and will meet high information security standards. It is expected that the e-auctions platform will be ready by the end of June 2019. A second Ministerial Order and/or a code of conduct still needs to be issued regarding the profile of auctioneers. Hence, the first e-auctions are expected to take place by the end of 2019.

TACKLING NPLS IN CYPRUS, NEW PACK OF LAWS AND AMENDMENTS

IT HAD BEEN become obvious that serious gaps and obstacles in the relevant laws did not allow banks to reduce their NPLs. In 2018, the Association worked very closely with the relevant Ministries in improving the legal Insolvency and Foreclosure framework in order to tackle the problem of NPLs.

The main Legislative amendments voted in July 2018 are the following:

1. The Purchase and Sale of Credit Facilities and Relevant Matters Law of 2015, as amended in 2018.

Sale of credit facilities of credit institutions remained significantly low from the date the relevant Law was enacted in 2015 until the amending Law in 2018. The total number of loans sold were 2023 (with value €167m).

The main provisions of the amending law are the following:

- The collateral is transferred without a fee.
- The results of the transfer (transfer of rights, benefits, priority, continuation of proceedings, safeguarding of documents, right of set-off, etc) are regulated.
- Allows access of credit buyers to the data exchange mechanism for purposes of assessing the borrower's indebtedness after it has acquired the credit facilities.

2. Splitting of Mortgages: The Immovable Property (Transfer and Mortgage) (Amending) Law of 2018

The registration of a single mortgage which secured several loans was a widespread practice. In case of a sale of loan, the mortgage creditor is now given the option of splitting the mortgage in sub-mortgages. This process does not affect the position of the borrower. It is also provided in the Law that any subsequent or preceding mortgages to the single mortgage (to be split) will remain unaltered and unaffected.

3. Securitisation Law 88(I)/2018

A new tool for the reduction of NPLs has been introduced. The law grants the Central Bank the power to authorise, regulate and supervise the activity of securitisations, in order to ensure the proper functioning of the securitisation market. The scope of this Law is limited to the securitisation of credit facilities or other form of receivables and / or exposures that were either originated or acquired by credit or financial institutions or that were acquired by credit acquiring companies.

4. Foreclosures: The Immovable Property (Transfer and Mortgage) (Amending) Law of 2018

In previous years, foreclosures remained in low levels. In 2017, the total value of all the assets foreclosed amounted to around €11.5 million. This shows that the foreclosures framework proved to be an ineffective tool, largely enabling strategic defaulters. The amending law aims to improve this tool. Foreclosure is enforced as the last resort (unless the debtor belongs in a vulnerable group) and after all efforts for restructuring have been exhausted. No doubt restructuring remains the best option, as it helps companies and households avoid bankruptcy and provides crucial liquidity to the economy. However, without an effective foreclosure tool, there is no leverage on debtors to seek restructuring.

The main provisions of the amending law are the following:

- It has been clarified that old court decisions, judgment debts or arbitrations for the sale of mortgaged property come under the new foreclosure procedure.
- The reserved price remains at no lower of 80% of the estimated market value for the first auction and for the period of three months thereafter. If the property

is not sold, within the next three months the mortgage creditor will attempt further auctions or other methods of sale with the reserved price not lower than 50%. Furthermore, if the property is not sold, (from the date of the first auction) the mortgage creditor has the option to buy the property at the market price (based on a valuation conducted prior to the first auction or initiate a new valuation procedure). If the mortgagee decides not to buy the property, he/she can continue the efforts to sell the property, either by auctions or by other methods of sale, without any reserved price at any time thereafter.

- The mortgage debtor is obligated to allow the mortgage creditor access to the property for the purpose of valuation.
- Servicing of notices, to the relevant stakeholders, is allowed through other means, if registered mail is not feasible.
- The borrower has preferential treatment over the last bidder, during the procedure for the sale of his primary residence by auction: i) provided the borrower has not received a governmental subsidy for the repayment of his loans and ii) the value of the primary residence does not exceed €350K.
- A provision allowing e-auctions is introduced.

5. Insolvency Framework

The insolvency framework does not seem to have been utilized to the expected extent over the last years, probably due to weaknesses of the legal framework and also to lack of awareness by the public. As a result, a debtor-friendly tool remained totally unutilized and inactive.

The main amendments in the relevant Laws are the following:

- The definition of "Secured Debt" has changed to clearly state that the loan is considered secured up to the market value of the security and the rest is unsecured.
- The definition of Debt for the purposes of DRO is clarified in order for the tool to be more effective.
- Consensual PRP: a) The eligibility criterion of 25% or more of the debts to have been made during a period of 6 months prior to the application is removed and b) it is clarified that the duration of the installments for repayment of secured debt may continue after the expiration of the PRP.
- Non-consensual plan PRP: the qualification criteria to enter a non-consensual PRP are broadened.
- Liabilities due to governmental authorities:

obligations to governmental authorities are now included in a repayment plan. Also, regarding the repayment plans and Examinership, there is no longer preferential treatment of debts to the Government or the local authorities.

- If a debtor, who receives a subsidy for the repayment of his loan, still has due payments for a period of three months, any protection from his creditors is terminated and he is subject to enforcement measures by creditors for debt collection.
- Protection of non-viable debtors: The total maximum protection period against measures taken against non-viable debtors whose financial situation has deteriorated in 2012 and 2013, and who have mortgaged their primary residence or business premises, is limited to 12 months in total.
- Insolvency Practitioners' Fees: The success rate of the repayment plan and Examinership proposal has increased from 20% to 30%. A State Aid plan will also be prepared to this effect. A fee structure has been set for the coordinated Repayment Plan for natural persons and micro enterprises.
- Provisions for the treatment of guarantors: the cut-off date which had been set for 07/05/2021 of certain provisions relating specifically to the treatment of guarantors (in PRP, bankruptcy and examinership) is extended for guarantee agreements signed after 2015 and until the date of application of the amending law.
- Bankruptcy/Liquidation cases with no proceeds to pay: A State aid plan will be prepared to provide the Bankruptcy Administrator and Liquidator who will undertake the processing of long-standing loss-making cases an extra administration fee payable upon completion.

6. Credit Institutions (Amending) Law of 2018

The amending Law allows disclosure of client information to bona fide perspective buyers required to proceed in connection with or relating to a transaction or prospective transaction (sale of 1/20 of banks shares, sale of loans etc.).

BANKING INDUSTRY REPRESENTATION

THE ASSOCIATION has represented the banking industry before meetings of House of Representatives' committees to discuss draft laws proposed by MPs and also participated in meetings with the Land Registry Department, the IMF, the ECB and the European Commission.



MARIA VARNAVA
Officer

THE ASSOCIATION'S TRAINING ACTIVITIES FOR THE PERIOD MAY 2018 - APRIL 2019

THE TRAINING Department of the Association organized 40 seminars / presentations between May 2018 and April 2019. The "Insolvency and Foreclosures Framework after the legislative amendments of 08/07/2018 and in relation to recent case-law" was the major subject addressed by the Training Department of the Association during 2018 - 2019. The Association conducted 2 seminars with a large number of participants (92) and 1 presentation for the Members of its Board of Directors. The department organized a series of seminars

(7) as per the requirements for the training of bank employees on the Credit Agreements for Consumers Relating to Residential Immovable Property – Appendix III of the N.41(I)/2017 Law. In line with the physical security measures implemented at bank branches, the Training Department offered a series of seminars (11) titled "Security Against Armed Robbery". Another significant part of the department's activities relates to the Continuous Professional Training of persons registered in the CySEC public register. Lastly, training programs covering important issues such as "Advanced Asset Securitization", "Auditing", "Blockchain", "Syndicated Lending" and "Stress Testing" were also offered to employees of member banks.

9 & 10 MAY 2018	SEMINAR: "BUSINESS CONTINUITY PLANNING"
MAY & SEPTEMBER 2018 (5 & 6 SEMINARS)	SEMINAR: "SECURITY AGAINST ARMED ROBBERY"
25 & 26 JUNE 2018	SEMINAR: "ADVANCED ASSET SECURITISATION"
26, 27 & 28 SEPTEMBER 2018 (3 SEMINARS)	SEMINARS: "REGARDING THE LEGISLATIVE FRAMEWORK APPLIED BY THE CONSUMER PROTECTION SERVICE ON CONTRACTS, LOANS AND FINANCIAL SERVICES"
JULY, SEPTEMBER, OCTOBER, NOVEMBER 2018 (1, 1, 2 & 3 SEMINARS)	SEMINARS: "CREDIT AGREEMENTS FOR CONSUMERS RELATING TO RESIDENTIAL IMMOVABLE PROPERTY – APPENDIX III OF THE N.41(I)/2017 LAW"
4 OCTOBER 2018	SEMINAR: "CYSEC REGULATORY UPDATES" (REGARDING THE CONTINUOUS PROFESSIONAL TRAINING REQUIREMENTS OF PERSONS IN THE PUBLIC REGISTER – CYSEC CERTIFICATION)
8 OCTOBER 2018	SEMINAR: "AML, KYC AND CUSTOMER DUE DILIGENCE" (REGARDING THE CONTINUOUS PROFESSIONAL TRAINING REQUIREMENTS OF PERSONS IN THE PUBLIC REGISTER – CYSEC CERTIFICATION)
10 OCTOBER 2018	SEMINAR: "MIFID II BEST EXECUTION AND CONTROLS" (REGARDING THE CONTINUOUS PROFESSIONAL TRAINING REQUIREMENTS OF PERSONS IN THE PUBLIC REGISTER – CYSEC CERTIFICATION)
8 NOVEMBER 2018	SEMINAR: "MIFID II FINANCIAL PROMOTION" (REGARDING THE CONTINUOUS PROFESSIONAL TRAINING REQUIREMENTS OF PERSONS IN THE PUBLIC REGISTER – CYSEC CERTIFICATION)
12 NOVEMBER 2018	PRESENTATION TO MEMBERS OF THE BOARD: "THE INSOLVENCY AND FORECLOSURES FRAMEWORK AFTER THE LEGISLATIVE AMENDMENTS OF 08/07/2018 AND IN RELATION TO RECENT CASE-LAW"
12 NOVEMBER 2018	SEMINAR: "CYSEC REGULATORY UPDATES" (REGARDING THE CONTINUOUS PROFESSIONAL TRAINING REQUIREMENTS OF PERSONS IN THE PUBLIC REGISTER – CYSEC CERTIFICATION)
14 NOVEMBER 2018	SEMINAR: "ALTERNATIVE INVESTMENT FUNDS (AIF), AIFM AND UNDERTAKINGS FOR COLLECTIVE INVESTMENT IN TRANSFERABLE SECURITIES (UCITS)" (REGARDING THE CONTINUOUS PROFESSIONAL TRAINING REQUIREMENTS OF PERSONS IN THE PUBLIC REGISTER – CYSEC CERTIFICATION)
16 NOVEMBER 2018	SEMINAR: "PRIIPS AND INVESTOR PROTECTION UNDER MIFID II AND IMD II"
26 & 27 NOVEMBER 2018	SEMINAR: "AUDITING THE COMPLIANCE DEPARTMENT"
3 DECEMBER 2018	SEMINAR: "BLOCKCHAIN AND ITS APPLICABILITY FOR THE FINANCIAL SERVICES SECTOR"
13 DECEMBER 2018	SEMINARS: "CREDIT AGREEMENTS FOR CONSUMERS RELATING TO RESIDENTIAL IMMOVABLE PROPERTY – APPENDIX III OF THE N.41(I)/2017 LAW"
18 & 19 FEBRUARY 2019	SEMINAR: "SYNDICATED LENDING AND CROSS BORDER FINANCE"
18 & 19 MARCH 2019	SEMINAR: "FRAUD AND CORRUPTION AUDITING"
28 MARCH 2019 & 04 APRIL 2019	SEMINARS: "THE INSOLVENCY AND FORECLOSURES FRAMEWORK AFTER THE LEGISLATIVE AMENDMENTS OF 08/07/2018 AND IN RELATION TO RECENT CASE-LAW"
3 APRIL 2019	SEMINAR: "LEVERAGING ON STRESS TESTING - THE ROAD AHEAD"
8 & 9 APRIL 2019	SEMINAR: "FRIENDLY SETTLEMENT TECHNIQS FOR NPLS"
23 APRIL 2019	PRESENTATION: "INTERCONNECTION OF INSOLVENCY REGISTERS - CY"



EMPLOYEES IN CYPRUS BANKING SECTOR

(January of each year)



NUMBER OF *employees* IN MEMBER BANKS

2016



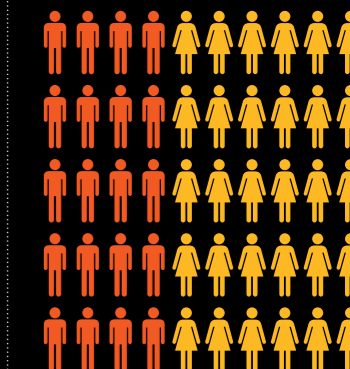
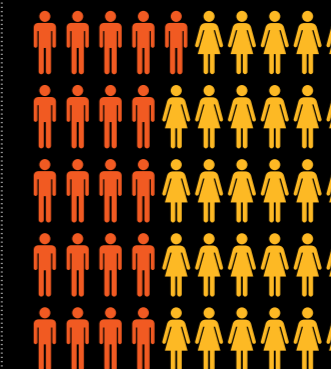
2017



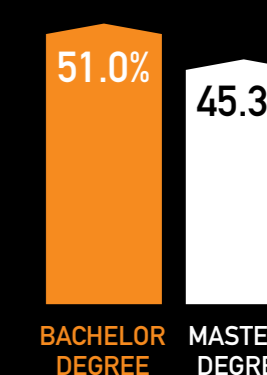
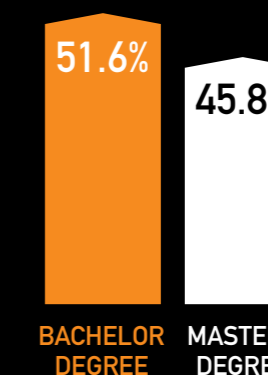
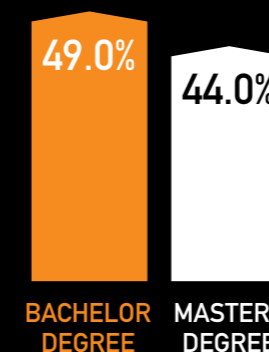
2018



MEN AND WOMEN *balance*



EMPLOYEES' *education*



98.7% OF EMPLOYEES WORK UNDER *permanent* CONDITIONS

5 The Association

ASSOCIATION OF CYPRUS BANKS PROFILE



Through its representation of ten member banks, that hold more than 90% of market share and provide a full range of banking services, the Association of Cyprus Banks (ACB) is the voice of the Cyprus banking system. Its primary aim is to promote best practices for the interest of the banking sector and the local economy as a whole. The ACB is a non-profit organization through which common positions are formulated and promoted on banking and financial issues, when local legislative and governmental policies are determined. In communicating the industry's views, the ACB cooperates closely with the Central Bank of Cyprus, the House of Representatives and various Ministries as well as other private and public bodies. The Association also has a close relationship with the European Banking Federation (of which it is a member), national banking associations and global organizations. This year the ACB celebrating its 50 years anniversary.

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.

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.

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.

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 various 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

ARTEMIS BANK INFORMATION SYSTEMS LTD



Artemis Bank Information Systems Ltd ("Artemis") is a private Credit Bureau set up by the Association of Cyprus Banks as its subsidiary in 2008 with a mission to collect and distribute information pertaining to the economic behavior of physical and legal entities in the financial sector to financial institutions.

Artemis is recognized by the World Bank as the only Credit Bureau in Cyprus and contributes to the performance of Cyprus in the "Getting Credit-Depth of credit information" index of the "Doing Business" report of the World Bank which assesses the competitiveness of a national economy. Since inception, Artemis is a full member of the Association of Consumer Credit Information Suppliers (ACCIS), the largest group of credit reference agencies in the world.

The Artemis Database is considered comprehensive compared to other Credit Bureaus at a European level, as it contains a full range of banking data, i.e. performing credit facilities, non-performing credit facilities, terminated accounts of credit facilities and legal measures against customers of credit institutions failing to meet their credit facilities obligations. It also includes information on issuers of dishonoured cheques, as well as bankruptcies

of physical entities and dissolutions of companies. In terms of Data Recipients, in early 2019, a new category was added in the Artemis Data Exchange mechanism; the one of Credit Acquiring Companies.

Despite the growth in its business through time, Artemis remains a lean organization retaining an operational efficiency. Artemis' main service is based on a bespoke Data exchange software system designed by Artemis and developed by JCC Payment Systems Ltd, the Information Technology partner of Artemis. The Artemis System is constantly enhanced to meet the evolving needs of its users.

Artemis is constantly engaged in optimizing both its infrastructure and services with an aim to retain a high level of servicing of financial institutions and the Public while at the same time ensuring compliance with its legal and regulatory obligations.

At the macro-economic level, Artemis' operation has proven to contribute to the enhancement, modernization and evolution of the local financial system which, in turn, supports the smooth functioning of the Cyprus economy.

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

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 Association can be either in the form of Regular or Associate member-

ship. 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 10 banks operating in Cyprus, as well as of three associated members, which includes a state owned financial institution, an asset management company and a debt servicer.. Member banks employ around 9.000 professionals and hold a market share of more than 90% in terms of local lending and deposits.

THE MEMBER BANKS

	<p>BANK OF CYPRUS PUBLIC COMPANY LTD</p> <p>Number of branches: 121 Number of ATM: 165 Number of employees: 3,661 Head Office: 51 Stasinou Str., Ayia Paraskevi, 2002 Strovolos P.O.Box 21472, 1599 Nicosia Tel: 22122100, Fax: 22378111 www.bankofcyprus.com</p>
	<p>HELLENIC BANK PUBLIC COMPANY LTD</p> <p>Number of branches: 149 Number of ATM: 179 Number of employees: 2,361 Head Office: Limassol Ave. & 200 Athalassas Ave. Corner, 2025 Strovolos P.O. Box 24747, 1394 Nicosia Tel: 22500000, Fax: 22500050 www.hellenicbank.com</p>
	<p>ALPHA BANK CYPRUS LTD</p> <p>Number of branches: 22 Number of ATM: 25 Number of employees: 682 Head Office: Alpha Bank Building, 3 Lemesou Ave., 2112 Aglantzia Nicosia, P.O.Box 21661, 1596 Nicosia Tel: 22888888, Fax: 22773788 www.alphabank.com.cy</p>
	<p>NATIONAL BANK OF GREECE (CYPRUS) LTD</p> <p>Number of branches: 9 Number of ATM: 12 Number of employees: 242 Head Office: 15 Arch. Makarios III Ave., 1065 Nicosia P.O.Box 21191, 1597 Nicosia Tel: 22040000, Fax: 22840010 www.nbg.com.cy</p>
	<p>CDBBANK</p> <p>Number of branches: 2 Number of ATM: 2 Number of employees: 139 Head Office: 50 Arch. Makarios III Ave., Alpha House, 1065 Nicosia P.O.Box 21415, 1508 Nicosia Tel: 22846500, Fax: 22846600 www.cdb.com.cy</p>

	<p>SOCIETE GENERALE BANK - CYPRUS LIMITED</p> <p>Number of branches: 4 Number of ATM: 4 Number of employees: 109 Head Office: 88 Dighenis Akritas & 36 Kypranoros Str., 1061 Nicosia P.O.Box 25400, 1309 Nicosia Tel: 80007777, Fax: 70005588 www.sgbcy.com</p>
	<p>ASTROBANK LIMITED</p> <p>Number of branches: 13 Number of ATM: 13 Number of employees: 303 Head Office: 1 Spyrou Kyprianou Ave., 1065 Nicosia P.O.Box 25700, 1393 Nicosia Tel: 80011800 (24 h) - 22575555 (from abroad), Fax: 22760890 www.astrobank.com</p>
	<p>EUROBANK CYPRUS LTD</p> <p>Number of branches: 8 Number of ATM: 0 Number of employees: 376 Head Office: 41 Arch. Makariou III Ave., 1065 Nicosia Tel: 22208000, Fax: 22776722 www.eurobank.com.cy</p>
	<p>RCB BANK LTD</p> <p>Number of branches: 8 Number of ATM: 9 Number of employees: 320 Head Office: 2 Amathountos Str., 3105 Limassol, P.O.Box 56868, 3310 Limassol Tel: 25837300, Fax: 25342192 www.rcbcy.com</p>
	<p>ANCORIA BANK</p> <p>Number of branches: 3 Number of ATM: 5 Number of employees: 81 Head Office: 12 Demostheni Severi Ave., 1st Floor, 1080 Nicosia P.O.Box 23418, 1683 Nicosia, Tel: 22849001, Fax: 22849002 www.ancoriabank.com</p>

Associate Members



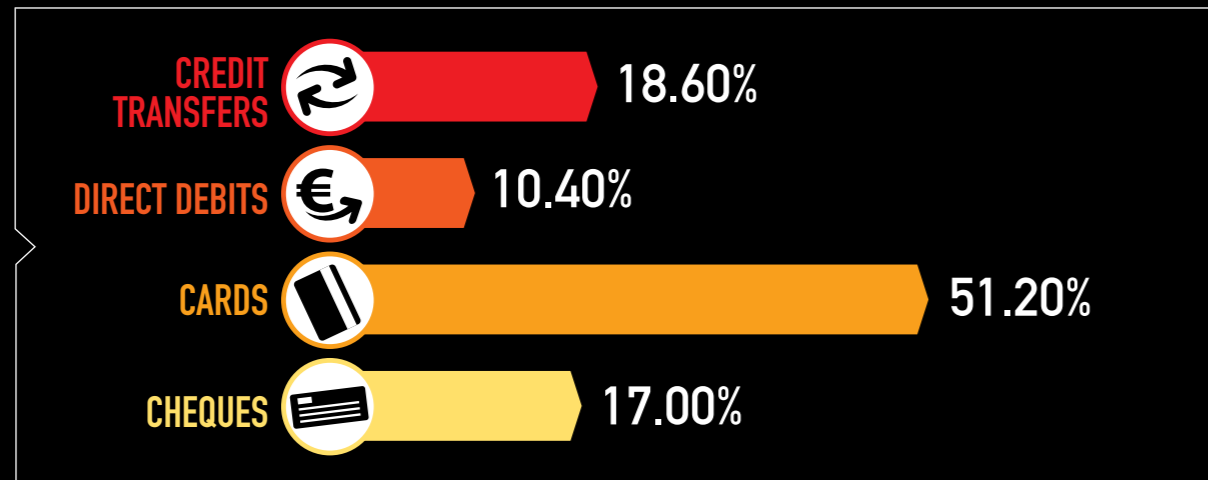
ΚΥΠΡΙΑΚΗ ΕΤΑΙΡΕΙΑ ΔΙΑΧΕΙΡΙΣΗΣ
 Περιουσιακών Στοιχείων Λτδ (ΚΕΔΙΠΕΣ)

PAYMENTS IN CYPRUS

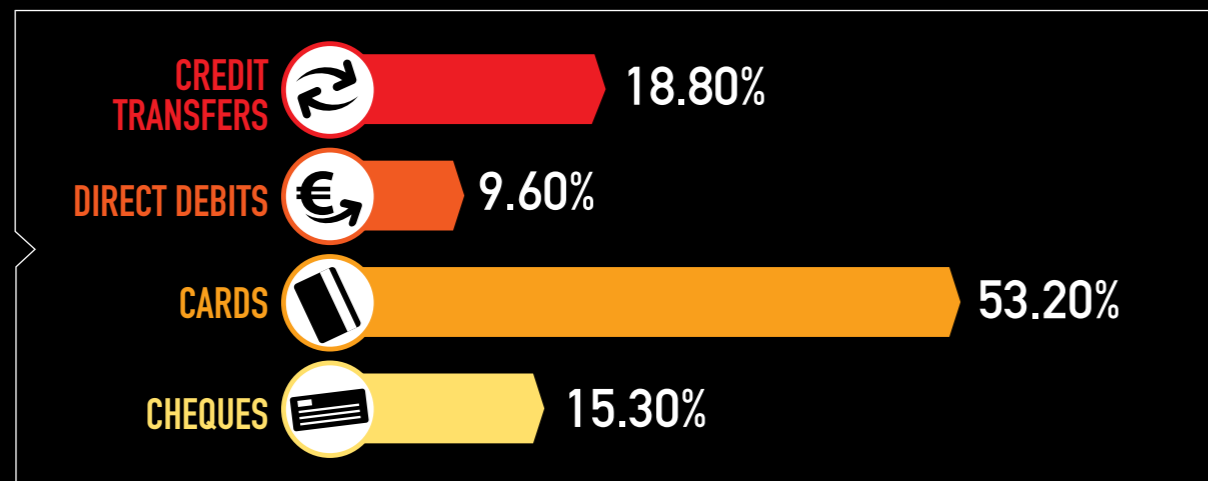
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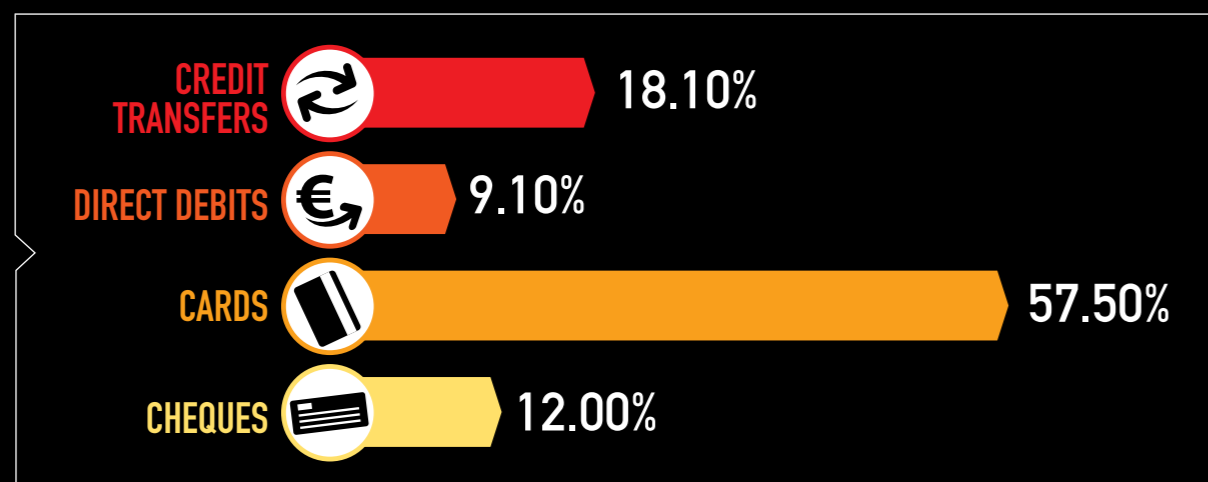
2015



2016



2017



Source: European Central Bank



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