

TEMPORARY RESIDENCE & EMPLOYMENT PERMITS FOR EXPATRIATE PERSONNEL

1. ELIGIBLE COMPANIES

1.1 In order to protect the good name and economic interests of Cyprus, it has been decided that all companies (including ex IBCs) eligible to employ third country nationals on the island are limited to those which:

- Belong to groups with transparent ownership and sources of capital and whose ultimate shareholders are NON-EU nationals and are approved by the Civil Registry and Migration Department or to public corporations quoted on any recognized stock exchange.
- Belong to Cypriots and/or other EU nationals and are approved by the Labour Office

In both cases, the companies must operate from their self-contained office:

- a) Located in suitable distinct premises
- b) Equipped with appropriate office and telecommunication facilities;
- c) Open during normal office hours and staffed with full time personnel.

2. EMPLOYEE CLASSIFICATION

2.1 Eligible BCs may employ third country nationals in a) executive positions b) Middle-management staff and any other key personnel. The maximum number of such executives is five (5), and the maximum number of Middle management and key personnel is ten (10) unless the Director of the Civil Registry and Migration Department is persuaded that a greater number is justified.

2.2 A third country national who wishes to be employed in an executive or key personnel position on the island, must:

- Have suitable qualifications
- Receive appropriate remuneration

The minimum gross monthly salary for highly skilled employment is set at € 2500. Below this limit, employment is considered to be at support level. This amount may be adjusted annually by the authorities according to fluctuations in the salaries index.

TEMPORARY RESIDENCE & EMPLOYMENT PERMITS FOR EXPATRIATE PERSONNEL

2.4 The term “executive” includes third country nationals registered as

- (i) Directors or Partners with the Registrar of Companies
- (ii) General managers of subsidiaries and branches of publicly quoted overseas companies and
- (iii) Department Managers

The term “non-executive”, refers to third country nationals who do not fall under the aforementioned 3 categories and who may be employed in managerial positions on the island.

2.5 Eligible companies (approved by the Labour Office) may employ third country nationals at any position for any reasonable monthly salary provided that the position cannot be filled by a Cypriot or other European citizens. Each case is examined by the Labour Office on its own special characteristics.

3. ADMINISTRATIVE PROCEDURES

3.1 BCs Companies

3.1.1 The Director of Civil Registry and Migration Department is the authority responsible for the first issue and subsequent renewals of Temporary Residence Permits granted to all non-Cypriots employed by BCs in Cyprus. The Director of Civil Registry and Migration Department acts in consultation with other competent authorities such as:

- The Registrar of Companies
- The Labour Department of the Ministry of Labour and Social Insurance
- The Cyprus Police

3.2 First Permits

3.2.1 Executive Staff and middle management and key personnel

TEMPORARY RESIDENCE & EMPLOYMENT PERMITS FOR EXPATRIATE PERSONNEL

The applications are made to the Civil Registry and Migration Department. The Civil Registry and Migration Department issues to the applicant his first Temporary Residence Permit within one month, unless his case warrants for further consideration. The employee need to give his/her biometric data before the issuance of his permit. The permits are valid for one or two years maximum.

The permit for “Category E” executive applicants does not have an expiry date. The permit is valid as long as they remain in their position (i.e. director officially registered at Registrar of Companies and exercises executive duties).

3.2.1.1 In respect of the company

If the Company is new (meaning that this is the first time that the company applies for employment of third country nationals), the following Required Documents must be submitted, regarding the company:

1. Certificate of Incorporation (ORIGINAL AND STAMPED BY THE REGISTRAR OF COMPANIES)
2. Certificate of Registered Office (ORIGINAL AND STAMPED BY THE REGISTRAR OF COMPANIES)
3. Certificate of Directors (ORIGINAL AND STAMPED BY THE REGISTRAR OF COMPANIES)
4. Certificate of Shareholders (ORIGINAL AND STAMPED BY THE REGISTRAR OF COMPANIES)
5. Memorandum and Articles of Association (ORIGINAL AND STAMPED BY THE REGISTRAR OF COMPANIES)
6. Profile describing the nature of the company’s business and details of its operations
7. List with the names, full addresses, passport numbers and nationality of the initial shareholders of the applying company. This is not required by companies registered in any recognized Stock Exchange and International Companies which were operating before the change of regime and for which the Central Bank of Cyprus possesses all necessary data
8. List of Company’s personnel (applicants and employees)
9. Domicile deed title of lease agreement or contract of sale and purchase of the offices in Cyprus
10. Their third country shareholders should own the majority of the company’s shares. If the percentage of foreign participation in the company’s share capital is equal to 50% of the total share capital, in order for the company to be considered as suitable, the foreign participation should represent an amount equal to or greater than the amount of €200,000.

TEMPORARY RESIDENCE & EMPLOYMENT PERMITS FOR EXPATRIATE PERSONNEL

3.2.1.2 In respect of the staff

- Application Forms
- Original contract of employment dully signed and two (2) copies dully stamped
- Copy of applicant's qualifications and C.V.;
- Copy of passport's data pages;
- Certificate of criminal record officially translated into Greek or English duly certified by the Ministry of Foreign Affairs;
- Bank Guarantee valid for 10 years;
- Medical examination certificate (aids, syphilis, hepatitis B) and chest X-Ray for tuberculosis (TB) from doctors in Cyprus (the results if are not done in a public hospital must be certified by the doctor of a public hospital);
- Medical insurance certificate covering inpatient, outpatient, automatically renewed;
- Rental Agreement;
- Levy Fee;
- Employer's liability insurance with an automatic renewal

Note: The documentation and procedure differs from the nationality of each employee

3.2.2.1 Labour Office procedure

The documentation for the company and for the employees is different. The main steps are as follows:

Notification to Labour Office for the vacant position:

- Advertisement in two local newspapers for two days (as per Labour Office sample);
- Application to Labour Office; corporate documents, VAT registrations (if applicable), social insurance payments, description of activities and other documents must be submitted.
- Approval or rejection for the application will be given directly from Labour Office. If the application is approved the Labour Office will provide also the Contract of Employment.

Registration of the employee to the local Immigration Unit:

TEMPORARY RESIDENCE & EMPLOYMENT PERMITS FOR EXPATRIATE PERSONNEL

- All application will be submitted to the local immigration unit (where the employee resides) but will be examined by the Civil Registry and Migration Department
- The employee must give his/her biometric data
- The permit will be issued within 3-4 months from the date of submission
- The permit is valid for one year only

The above is intended to provide a brief guide only. It is essential that appropriate professional advice is obtained.