

Country-specific Information

Cyprus

Beneficial Owner Registry Authority

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The Country-specific Information is intended to help identify and verify the beneficial owners with regard to relevant foreign legal entities. It offers an initial overview of the legal framework, main legal forms and the sources of information available in the respective jurisdictions regarding the identification and verification of beneficial owners.

Please note that the information provided in this document is not intended to provide a complete overview over the legal system of the jurisdictions concerned and does not constitute a binding assessment by the Austrian Federal Ministry of Finance. The responsibility for the assessment of the documentation requirements for each legal form and the identification and verification of the jurisdictions concerned lies with the legal entities and the obliged entities.

1.1 General information

Cyprus is an **international financial centre** with an important company formation and administration sector. The expansion of the international business sector in Cyprus is largely due to the country's strategic geographical location, at the crossroads of three continents, its advanced professional services sector, its legal framework which is closely based on the **English common law**, as well as on the existence of a wide network of treaties with other countries for the avoidance of double taxation.

The country has been a member of the European Union since 1 May 2004 and a Euro Area member since 1 January 2008. Cyprus is also a member of numerous international organisations, such as the Council of Europe, the United Nations (UN), the Organisation for Security and Co-operation in Europe (OSCE), the World Trade Organisation (WTO), the

International Monetary Fund (IMF), the World Bank (WB), the European Bank for Reconstruction and Development (EBRD), Europol and Interpol.

1.2 Registers

1.2.1 Register of Companies

The Department of Registrar of Companies and Official Receiver (**DRCOR**) is responsible for keeping the register of **companies, overseas companies** and **partnerships**.

This register is **accessible online** at the website of DRCOR (www.mcit.gov.cy/mcit/drcor/drcor.nsf/index_en/index_en) and is free of charge regarding the basic information (see below). All other information and documents on the company, for instance, shareholders, memorandum and articles of association, are provided to the public upon payment of a flat fee of EUR 10 per legal person. Please note that the websites of the Companies Section and the Intellectual and Industrial Property Section are currently in Greek language. The English version of the websites is under construction.

The following basic information is accessible online at the website of DRCOR:

- entity name
- registration number
- registration date
- legal form and status
- address of registered office and names of current directors and secretary

Access to all other information and documents pertaining to a company, partnership or overseas company can be achieved upon payment of a fee and retrieved electronically.

1.2.2 Register of Societies

With respect to **societies, institutions, federations** and **associations**, the Law on Societies and Institutions and other related Matters Law of 2017 (**LSI**) requires these entities to be registered with the **Registrar of Societies** (i.e. District Officer of the relevant District). They must maintain information on the purpose and objectives and the identity of the persons who own, control or direct their activities. The board of directors of a society is required to keep a fully updated register of its members, which shall be updated at least once a year and shall be available for inspection by the Registrar and any other third party with a legitimate interest.

All of this information is available to the competent authorities. **Some information** is also **available publicly** on the electronic register maintained by the Ministry of Interior (Moi; www.moi.gov.cy, in Greek).

1.2.3 Trust registers

According to Section 25A of the **Administrative Services Law**, the Cyprus Securities and Exchange Commission (**CySEC**), the Cyprus Bar Association (**CBA**) and the Institute of Certified Public Accountants of Cyprus (**ICPAC**) each establish and keep a **trust register** with respect to each trust governed by Cyprus law and where one of its trustees is a regulated entity resident in Cyprus and supervised by the CySEC, the CBA or the ICPAC in its capacity as a competent supervisor.

The trust registers are **not available to the public** but shall be available for inspection by the competent authorities. The following information is contained therein: the name of the trust; the name and full address of every trustee at all relevant times; the date of establishment of the trust; the date of any change in the law governing the trust; the date of termination of the trust.

1.2.4 Beneficial owner register

Please note that the beneficial owner register is currently under construction.

1.3 General information on legal forms

1.3.1 Corporate entities

- Companies of limited liability by shares (private or public)
- Companies of limited liability by guarantee (private or public)
- Limited partnerships
- General partnerships
- Overseas companies
- European companies (SE)
- Societies
- Federations and associations

The types of companies that may be established in Cyprus are provided under Chapter 113 of the **Companies Law** of Cyprus, namely **companies limited by shares** and **companies limited**

by **guarantee** (with or without share capital). Both types of companies can be either **private** or **public**. Additionally, the Companies Law contains provisions on the establishment and registration of a place of business of foreign companies in Cyprus (so-called overseas companies).

Limited and general partnerships can also be established. Partnerships are governed by the **Partnerships and Business Names Law**. According to the Partnerships and Business Names Law, general and limited partnerships **do not have a separate legal personality**.

The other forms of legal persons that may be established in Cyprus are **societies, federations and associations**, which are governed by the Law on Societies and Institutions and other related Matters Law of 2017 (**LSI**).

1.3.2 Trusts

- Trusts (registered with CySEC, CBA or ICPAC)

1.3.3 Foundations

Foundations are not regulated in Cypriot law. For Institutions see below, 1.3.4.

1.3.4 Legal arrangements similar to trusts

- Institutions

In addition to trusts, the **LSI** provides for the incorporation of **institutions**. According to Section 2 of the LSI, an institution includes assets with a value above EUR 1,000 appropriated by a founder to serve a certain **non-profitable object**. The incorporation of an institution is effected either by an inter vivos trust instrument or by a will or testament. As from the incorporation of the institution, the founder is bound to transfer to it the property as promised by him (Sections 26 (3), 27 (1) and 30 of the Societies and Institutions Law).

1.4 Detailed information on specific legal forms

1.4.1 Private Company Limited by Shares (LTD)

Private companies of limited liability by shares (LTDs) are by far the **most common form of legal entities** in Cyprus. Such private companies have several benefits including tax benefits

(as long as the company is considered foreign-owned no corporation tax is imposed) and a limitation of liability to the contributions of the members. In order to incorporate a LTD there is **no minimum share capital** required. The legal basis for limited liability companies is provided under **Chapter 113** of the **Companies Law**.

Proof of existence:

- certificate of good standing (applicable for companies with more than 6 months of existence)

Other documents available for additional information:

- certificate of incorporation
- certificate of registered office
- certificate of directors and secretary
- memorandum and articles of association

Proof of ownership:

- certificate of shareholders

1.4.2 Public Company Limited by Shares (PLC)

The Public Companies Limited by Shares (PLC) are a subset of limited companies and have the same legal basis. The main difference is that a PLC may offer its shares, debentures or other titles to the public. In contrast to private limited companies, the **minimum number of shareholders is seven**. Also, the words "public limited company" (PLC) must appear at the end of the name of the company.

Proof of existence:

- certificate of good standing (applicable for companies with more than 6 months of existence)

Other documents available for additional information:

- certificate of incorporation
- certificate of registered office
- certificate of directors and secretary

- memorandum and articles of association

Proof of ownership:

- certificate of shareholders
- Bloomberg-Screenshot et al. (if listed in certain regulated markets)

1.4.3 Trust

Cyprus is a signatory to the **Hague Convention on Laws Applicable to Trusts and their Recognition**. Cyprus has two pieces of trust legislation, namely the

- **Trustee Law of 1955 (Cap. 193)** as well as the
- **International Trusts Law 1992.**

The latter is not a self-contained law on trusts, but it builds on the existing trust legislation (The Trustee Law of 1955). The law applies only to “international trusts” which are broadly defined as those trusts whose settlor and beneficiaries are not residents of Cyprus. At least one resident trustee is a statutory requirement, which ensures that the Cyprus Courts have effective jurisdiction over the trust. The lack of a comprehensive definition of trusts in Cypriot law allows for various types of trusts (including discretionary trusts) to be established in Cyprus.

The following categories of persons are potentially concerned in a trust:

- the settlor
- the trustee
- the protector
- the beneficiary

Proof of existence:

- trust deed and any subsequent and/ or additional amendments

Proof of beneficial ownership:

- Trust deed
- any subsequent and/ or additional amendments (e.g. subsequent deeds of appointment or retirement, side-letter)