



REPUBLIC OF CYPRUS

**MINISTRY OF FINANCE PRESS RELEASE**

**Conclusion of TROIKAS visit to Cyprus**

1. The Troika Delegation (EC, ECB, IMF) paid its second visit to Cyprus between 23-27 July 2012. During this week, the Troika Delegation carried out its second round meetings with representatives of the Central Bank of Cyprus (CBC), Ministry of Finance, relevant government departments, state-owned enterprises and other relevant stakeholders.
2. Parallel to the meetings at a technocratic level, the Heads of Troika Delegation had a number of meetings at a political level. The meetings held, were with the President of the Republic, the Minister of Finance and the Governor of the CBC, and the Ministerial Committee (Minister of Finance, Minister of Labour & Social Insurance, Minister of Commerce, Industry & Tourism, Under-Secretary to the President and Government Spokesman). In addition, the Heads of Troika Delegation had separate meetings with the two largest political parties, DISY and AKEL, the Parliamentary Committee of Finance, as well as with the Trade Unions and the Employers' Associations.
3. Discussions were focused on three main areas, namely, public finances, structural issues and the banking sector. Beyond the recapitalization needs of the financial sector, discussions touched upon, inter alia, issues of COLA, pension schemes, public administration incl. wage bill, public housing schemes, fiscal and macro policies, financing needs, state-owned enterprises, tourism, fiscal framework, taxation etc.
4. The discussions aimed at developing common views with regards to the main challenges the Cyprus economy is currently facing, as well as, to the appropriate strategy and policy responses for dealing with these challenges.
5. During the whole week, an intense procedure of consultation and dialogue was carried out between Troika Delegation and the Government who have now agreed to continue the consultation during the next several weeks in order to achieve the necessary convergences.