

Residency and Employment to Cyprus for No-eu nationals

1. Employment by Eligible Cyprus Companies

Cyprus has provided an exception in the law for companies of foreign interests to employ Third Country Nationals subject to certain requirements, set out below:

All companies of foreign interests, including international companies, in order to be eligible to employ Third Country Nationals in Cyprus, should fulfill the following:

- The majority of the company's shareholders should be foreign shareholders and in the case of shareholders whose ultimate beneficial owners are foreign companies, they should be declared in order to be approved by the Civil Registry and Migration Department (CRMD). (Public companies registered in any recognized Stock Exchange and international companies (ex IBCs) that were operating before the change of regime and for which the Central Bank of Cyprus possesses all the necessary data are exempted).
 - (ii) In cases where the percentage of the foreign participation in the share capital of a company is equal or below the fifty percent (50%) of the total share capital, this percentage should represent an amount equal or higher than EUR171.000 in order for a company to be considered eligible. Applications by companies that deal with offering services or consulting services that invest capital lower than EUR171.000 will be examined given the fact that the nature of their work does not require a higher capital investment.
 - (iii) For new companies it should be proved by banking and other documents that the direct foreign capital investment amounts to at least EUR171.000, and it was brought in Cyprus legally from abroad. This can be a transfer from a personal account of one or more of the shareholders of the Cyprus company.
- The companies should operate from their self-contained offices in Cyprus, which should be located in suitable distinct premises, not part of private residence or another office, except for cases of companies that share lodging. Cases in which the nature of the work allows people to work from their home will be examined.

Uses: This case is especially useful for a Third Country National who may incorporate his own company, or in conjunction with others with a minimum investment of EUR 171.000 (does not have to be the share capital of the company), and be employed by this company in accordance with the employee classifications mentioned below.



Employee Classification

(a) Executive Directors

The term 'Executive Directors' includes Third Country Nationals registered as: Consulting Directors or Partners (in the Registrar of Companies)

- (i) General Managers of branches and subsidiary foreign companies
- (ii) Departmental Managers.

Note: The maximum number of such executives is five (5) unless the CRMD is persuaded that a greater number is justified.

- The minimum acceptable total annual salary (annual salary plus any additional allowances/benefits) for a newly appointed Executive Director is around EUR 41.000. This amount may be adjusted from time to time according to fluctuations in the salary index.
- There are no restrictions for the residence period of these employees.

(b) Middle-management staff, executive staff and any other key personnel

This category includes Directors who are not considered to be Executive Directors as well as other Executive/Middle-management staff or other managerial, clerical or technical personnel with an annual salary ranging from EUR20.520 to EUR 41.040. The amounts may be adjusted from time to time according to fluctuations in the salary index.

Note: The maximum number of these employees permitted in this category is 10. The CRMD has the discrete authority to decide on the employment of more than 10 people if justified, depending on each company's operation data. In the case that the total maximum number is exceeded, the company should justify the necessity of the employment of third country nationals, taking into consideration the payments as well as:

- (i) The scope of the company's activities
- (ii) The proportion of foreigners to Cypriots and
- (iii) The duration of the company's operation.

-There are no restrictions for the residence period of these employees.

(c) Supporting Staff

All third country nationals employed in other professional, managerial, technical, clerical etc. positions in Cyprus and do not fall under the abovementioned categories (a) and (b), are classified in the remaining supporting staff.

Companies are expected to employ Cypriots or European citizens for this category. In case there are no available or suitable Cypriots or European citizens with the required qualifications, a company may employ third country nationals in positions of this category, following the procedure and submitting all the certificates/supporting documents after an affirmative decision (stamp of contact) is ensured by the Labour Department.

Benefit: As a result a Third Country National can also benefit from the relatively low income tax level for individuals as well as low corporation tax levels of the Cyprus tax regime.

2. Non eu nationals who are self employed

Applications are submitted on the basis of one of the following categories:

Category A: Persons who intend to work as self employed in agriculture, cattle breeding, bird breeding or fish culture in the Republic, provided that they have in their possession adequate land or a permit to acquire same, they have fully and freely at their disposal capital of approximately €430,000

Category B: Persons who intend to work as self employed in mining enterprises in the Republic, provided that they have in their possession a relative permit, they have fully and freely at their disposal capital of approximately €350,000

Category C: Persons who intend to work as self employed in a trade or profession in the Republic, provided that they have in their possession a relative permit, they have fully and freely at their disposal the required capital and that such an employment should not affect negatively the general economy of the Republic.

Category D: Persons who intend to work as self employed in a profession or science in the Republic, provided that they have academic or professional qualifications for which there is demand in Cyprus. Possession of adequate funds is also necessary.

Category E: Persons who have been offered permanent employment in the country which will not create undue local competition.

Our services

- Consult on the requirements of the application process.
- Advise on questions / issues that need to be clarified.
- Assist in drafting relevant required documents.
- Continuous review of the application documentation to ensure required quality standards.
- Submit the complete application to the authorities on client's behalf.
- Monitor the status of the review by the authorities and debrief the client.
- Act as a liaison with authorities during the examination of the application.

What to expect from us

- Continuous and close collaboration and support.
- Expertise –in-depth knowledge of the relevant legislation and procedures.
- Peace of mind – Our team will help you address all issues.
- We provide a tailored service ensuring all regulatory requirements are met.
- Close collaboration – we undertake to guide you and provide complete support throughout the process.