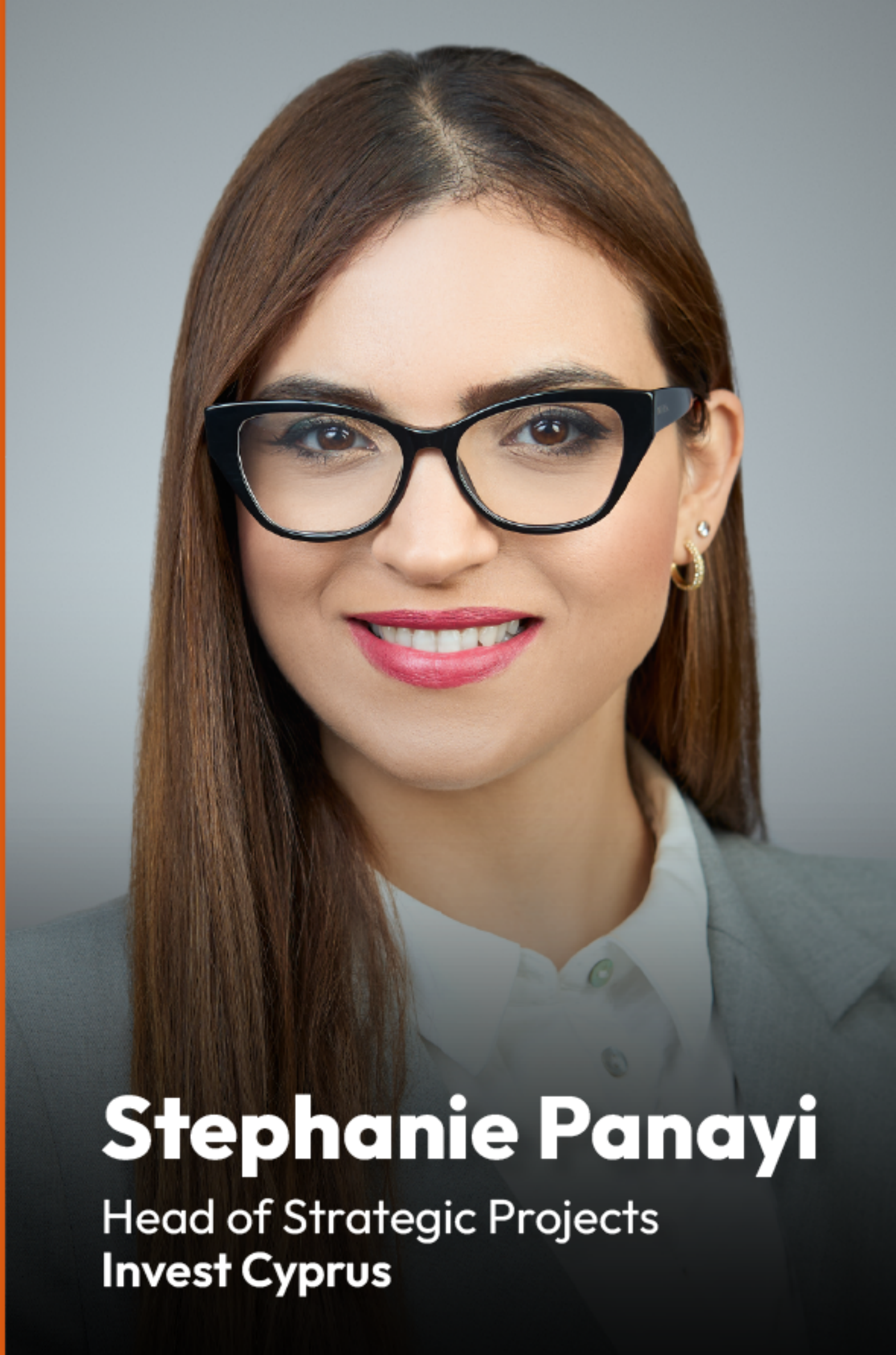


3

QUESTIONS
WITH



Stephanie Panayi

Head of Strategic Projects
Invest Cyprus

How did the industry recover in Cyprus and how is the market developing now in terms of investment opportunities?



We are pleased to see that there are very positive prospects for the tourism sector but also the economy of Cyprus in general. It is worth mentioning that Cyprus real GDP increased by 5.6% in 2022, compared to the EU average at 3.7%, something which proves the resiliency of the country when it comes to the economic crisis. The tourism sector has historically been a strong contributor to the country's GDP. It is encouraging to see that Cyprus tourism has been experiencing a strong rebound in 2022 and 2023 onwards with the number of tourist arrivals closely reaching the 2019 levels, which was a peak year for the country. Cyprus has seen a significant growth in arrivals from major European markets while it can be clearly characterized as a leader in terms of growth compared to 2019 levels. The positive outlook between stakeholders remains while we also see an impressive growth in tourism revenues compared to 2022.





In terms of the investment flows going into tourism and hospitality projects, it worth mentioning that we see a growing appetite in large-scale development projects such as leisure & theme parks, luxury resorts, new hotels but also opportunities in the rural areas of Cyprus, attracting significant levels of foreign investment. Tourism is also now gaining momentum with the opening of the largest and only Integrated Casino Resort adding 500 rooms in the market, a landmark attraction that will add value to the island's tourism product. In addition to this, the strong performance of the market has attracted the interest of leading international hotel groups to enter the market but also private equity funds to look into opportunities contributing in this way to the rejuvenation of the market and its offering.



2

What do you see as the major opportunity for investors in Cyprus?



With the target to diversify the Cyprus tourism offering and showcase Cyprus as a quality all year round destination, our focus is on attracting investment into large-scale projects derived from diversified tourism segments and to showcase the potential of Cyprus as a tourism and hospitality investment destination. Cyprus is a popular tourist destination and it also provides attractive investment opportunities combined with its highly competitive advantages such as a unique natural beauty, a pro-business environment, a strategic location, an investor friendly tax regime and others. Cyprus is focused on attracting significant investments in the tourist industry, under the objective to transform the sun and sea model and turn into an all year round destination. There are major opportunities for investors in the medical tourism/wellness segment, rural and agritourism, sports resorts and other mixed-use developments.





Furthermore, in view of the growing interest by foreign investors in our country, Invest Cyprus has recently created the investment “Project Bank”, which is a dynamic portfolio, showcasing high-value investment projects that are aligned with key government strategies in sectors such as healthcare, tourism & hospitality, renewable energy, education and other commercial developments, and linking investors with projects seeking FDI.



3

How are you,
as Invest Cyprus,
supporting investors?



Invest Cyprus is the Government's investment authority dedicated to raise awareness of Cyprus as a business and investment destination but also providing support to interested businesses and investors wishing you to expand in the country. Invest Cyprus is a dedicated partner for foreign investors throughout the entire investment journey, offering assistance and guidance as well as after-care services. We act as the first point of contact to international investors and we provide full-fledged guidance in all steps of setting up a business or identifying the right project. We are also actively involved in the facilitation of any legal, regulatory, and any other licensing procedures.

