Nicos Anastasiades – President, Republic of Cyprus



Ensuring our citizens' good health is not negotiable.

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In an exclusive interview, President Nicos Anastasiades outlines his public health priorities, the continuing importance of the pharmaceutical industry to Cyprus's economy, and the nation's attractiveness as an international investment destination.

What are your main priorities and policies for public health for your second term?

Apart from the major reform of the autonomisation of the public hospitals and the implementation of GeSY, other big changes were launched, aiming at the improvement of the quality of the provided healthcare services for the benefit of the patients.

For instance, the big project of introducing electronic health is already underway. All citizens, from their birth, will have their own personal electronic file with all their medical data, which will also facilitate the access to the patient's health record by the providers of health services and help in the treatment of diseases.

Another major development for the healthcare sector is the establishment of University Clinics, a measure that will empower the collaboration amongst academics and health professionals, to improve the provided medical services and highlight the skills of the country's human resources.

Furthermore, it has always been my conviction that patients should have a big role to play in decision-making and their voice should be heard loud and clear. In this respect, we have promoted the institution of the "Patient Advocate", which will empower the capacity of the patients to assert their rights.

Equally significant is the promotion of the regulatory frame for the cultivation, production and export of medical cannabis. In addition to the medical benefits, Cyprus will gain in the sectors of businesses and development and will upgrade its role in the key sector of research and innovation, through attracting foreign investments.

It is important for everybody to realize that all the actions, whether completed or still in process, have a single purpose, that is to essentially improve the health services our citizens receive. Ensuring our citizens' good health is not negotiable.

The healthcare system of Cyprus is undergoing transition with the roll out of GESY, a full-coverage healthcare program encompassing the entire nation. How is the government managing the expectations of each stakeholder and leveraging the experience of its EU neighbours to ensure a sustainable and efficient delivery of public healthcare?

The transition in the healthcare system is the most important reform we have introduced for our citizens since the late 1960s when we introduced the Social Insurance Scheme. It is a major project that will indeed encompass the entire nation and will turn inside out the way things have been working for decades. When we set about to do this comprehensive reform, we faced the concerns and the opposition of almost all parties involved. I must say that some of those concerns were justified and, to a point, expected. Through intense yet constructive dialogue, however, we eventually reassured all stakeholders on the necessity to reform the healthcare system, thus reaching our target. Some of the big concerns expressed by the stakeholders were welcomed and incorporated in designing a scheme that will work for both patients and health professionals.

We realized from the very first moment that it was not for us to reinvent the wheel. Therefore, we turned to the experts in the EU and the World Health Organization for guidance and assistance. In full collaboration with other EU and WHO member states, we absorbed techniques and expertise that helped us move forward and strategize the new environment of public healthcare, ensuring that it will be functional, efficient and sustainable.

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Pharmaceuticals constitute an important slice of Cypriot exports. What steps is your administration taking to nourish the local pharma and MedTech industry? What makes

Cyprus a compelling destination country and investment prospect for drug manufacturing/development?

Indeed, Pharmaceuticals are crucial to the Cypriot economy with locally manufactured pharmaceuticals accounting for around 20 percent of our national exports. Industry stakeholders, therefore, are of significant importance and policies that focus on enhancing growth and innovation within our local pharmaceutical industries are high on the agenda.

Currently, the Ministry of Health is in the process of establishing a National Pharmaceutical Authority (NPA). This NPA will regulate human medicines, medical devices, cosmetics and food supplements, and aims to improve the quality and breadth of services provided to industry stakeholders. The establishment of the NPA, will provide considerable autonomy to this regulatory body and allow for the transition from a rigid traditional vertical structure to a more contemporary and more efficient horizontal structure. This will allow for healthy growth and improvement in the services provided.

The NPA will be better positioned to attract additional highly-specialised staff and thereby be enabled to provide critical new services, such as taking the lead in European regulatory procedures, at an attractive competitive cost to industry, in addition to drastically improving turnaround times for current services, further adding value to the services provided to industry. We have also invested considerable effort and have already implemented changes, which improve the experience and quality of current services provided to our industry stakeholders and have enhanced the relationship between industry and regulator to allow for constructive two-way transparent interactions.

Furthermore, we are developing mechanisms and policies, which will further encourage the development of highly-skilled talent in the industry and supporting education and training opportunities, thereby increasing the pool of local expertise both for industry and the regulatory body. Additionally, we are a market that is supportive of the SPC manufacturing waiver, which is currently being discussed in Brussels. The SPC manufacturing waiver aims to encourage companies to maintain or bring their pharmaceutical manufacturing activities within the EU market.

We are also actively supporting efforts to encourage the attractiveness of Cyprus as a centre of innovation in pharmaceuticals. One such current effort is the legalisation of medicinal cannabis production in Cyprus. The island’s ideal climate conditions and attractive tax environment is a major opportunity for investors in this area. As well as an investment opportunity for overseas medicinal cannabis producers, the legislation encourages investment in R&D in this area, for which

we hope to attract additional overseas investment in Cyprus.

Cyprus is a compelling destination (geographic location, legal framework, educated workforce, etc) and pharmaceutical manufacturers will find that the country is an ideal centre for investment and for establishing their operations.

As the President of the Republic of Cyprus, how are you promoting Cyprus on the world stage and in the eyes of the international business community as an attractive and competitive place to do business?

During the past few years, through an ambitious reform programme, we have succeeded in turning an economy in distress into a success story that has gained international praise.

During this second term in office, one of our main priorities is to continue promoting Cyprus as an attractive investment destination so that Cyprus remains firmly on a path of sustainable growth.

At the same time, despite the economic difficulties that we have faced, our country's comparative advantages not only remain intact but have been further enhanced and expanded. These include one of the most competitive corporate tax rates in Europe at 12.5 percent, a significant network of Agreements for Avoidance of Double Taxation (60 as of today), Cyprus's unique geographical location at a crossing point between Europe, Asia and Africa providing easy access to those markets, a highly qualified and professional workforce and a fully EU harmonised tax and legal system.

The combination of the above-mentioned, in conjunction with the reform of the public sector and the enhancement of the tax and legal framework, resulted in renewed investor interest and substantial investments in a wide range of sectors. From the operation of oil & gas giants in the country's Exclusive Economic Zones (EEZs), to the licensing of the first integrated casino resort for an investment of more than EUR 0.5 billion, the impressive 18 percent annual increase in investment funds' registration, the record numbers of the tourism industry in both arrivals and revenue and the commercialization of the Limassol port, it is evident that our efforts have borne fruit.

Further, the newly established Deputy Ministry of Shipping offers substantial support to the increasingly growing maritime sector of Cyprus and at the same time I have no doubt that the Deputy Ministry of Tourism, planned to be operational by the first of January 2019, will even further enhance the growing tourist industry and provide promising new investment opportunities.

As a result, a few weeks ago Cyprus, following successive upgrades of its economy by international rating agencies, is now rated at the investment grade, after being in the “junk” category seven years ago. This demonstrates the positive economic outlook of Cyprus, with obvious positive repercussions as regards the country’s financial and investment potentials.

The challenge now is to keep up the momentum and ensure that Cyprus remains on a path of sustainable growth. Sound governance of public finances, complemented by a business-friendly investment environment, sectorial and horizontal incentives, a comprehensive government strategy for investment facilitation and continuing to invest in education, research and innovation, entrepreneurship and the empowerment of our youth, are critical elements in this path.

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What do you hope to be your ultimate legacy?

My top priority cannot be anything other than addressing the unacceptable current state of affairs with the continuing Turkish occupation of 37 percent of the territory of the Republic of Cyprus.

Only a viable and functional solution, in line with our EU membership and the best practices of democratic countries of the UN, can establish the conditions for achieving lasting peace, allowing my country to fully take its stride and for all Cypriots to live in a normal state and work together for the prosperity and security of all.

As I have repeatedly stated: I remain strongly and truly committed to achieving a solution on the basis of the relevant UN resolutions and the European Union acquis, continuing the negotiations on the six-point framework that the UN Secretary-General has set as the basis for the way forward.

We expect Turkey, which has a key role in the efforts to reach a settlement, to rise to the occasion and demonstrate the necessary political determination to reach a settlement and concretely contribute to regional stability.

On our own behalf, I wish once more to repeat that we are determined to rise to the challenge of our historic responsibility and do our utmost so as to provide a peaceful future for all Cypriots.

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