Savva & Associates LTD Spearheads Effortless Cyprus Foreign Interest Company Registration for Global Business Expansion

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NICOSIA, CYPRUS ? May 7, 2025 ? In an increasingly interconnected global economy, Cyprus solidifies its position as a premier strategic hub for international businesses seeking to optimize operations and gain a significant foothold in European and global markets. Savva & Associates LTD, a leading professional services firm, is at the forefront of guiding entities through the advantageous Cyprus Foreign Interest Company (FIC) framework. This initiative, robustly supported by the Cypriot authorities, offers a streamlined pathway for foreign-owned enterprises to efficiently establish their presence and harness the multitude of benefits the Republic provides, particularly in facilitating the employment of highly skilled third-country nationals. The FIC designation is pivotal, enabling companies to navigate the establishment process with enhanced speed and clarity, tapping into Cyprus's pro-business environment and favorable tax regime.

The Cyprus government's commitment to attracting foreign investment and a diverse, skilled workforce is underscored by the establishment and continuous refinement of the Foreign Interest Company policy. A key development was the creation of the Business Facilitation Unit (BFU) on January 1, 2022, designed to serve as the central point of contact for foreign companies. This unit plays a critical role in expediting the

processing of requests for company registration and the necessary permits for personnel, significantly reducing bureaucratic hurdles. Further demonstrating this commitment, the Council of Ministers approved amendments to the policy, effective December 12, 2022, which clarified eligibility criteria, including the requirement for companies to demonstrate an initial investment of at least EUR 200,000 within Cyprus. This investment can be in the company's bank account held with a licensed credit institution or evidenced through operational spending on assets like office space or equipment.

Eligibility for registration as a Company of Foreign Interests hinges on specific criteria concerning shareholding and investment. Primarily, third-country nationals (non-EU citizens) must own the majority of the company?s shares. However, if the foreign participation by non-EU nationals is 50 percent or less, the company can still qualify provided this foreign investment amounts to a minimum of EUR 200,000. The framework is inclusive, extending to various types of enterprises including public companies listed on any recognized stock exchange, companies with international activities operational before the regime change (formerly offshore companies), Cypriot shipping companies, and notably, Cypriot high-tech or innovation companies. For a high-tech or innovation company to qualify, it must demonstrate a presence in the market, a high intensity of experimental research and development (R&D), and have developed products in specified sectors such as aviation, ICT, pharmaceuticals, biomedical, or various machinery. Cypriot pharmaceutical companies and those in biogenetics and biotechnology also fall under this advantageous category. The required documentation for the application process is comprehensive, including certificates of incorporation, registered office, directors, and shareholders, alongside proof of the UBO?s investment and operational premises.

The Cyprus Foreign Interest Company structure offers substantial advantages for the employment of skilled personnel from outside the EU. Eligible employees must receive a minimum gross monthly salary, currently set at EUR 2,500, possess relevant academic qualifications or at least two years of pertinent experience, and hold an employment contract of a minimum two-year duration. A noteworthy provision allows third-country nationals already holding permits under the previous BCS Key Personnel category with a salary of EUR 2,000 or more to continue renewing their permits until December 31, 2026, without a salary increase, if remaining with the same employer. These employees can obtain necessary work and residence permits, typically within one month through the BFU's direct access to the Civil Registry and Migration Department (CRMD), and importantly, can exercise their right to be accompanied by their family members, who can also reside in Cyprus.

Beyond facilitating talent acquisition, Companies of Foreign Interests benefit from Cyprus?s highly competitive corporate tax environment, featuring a low 12.5% corporation tax rate and access to an extensive network of double taxation treaties. The Cypriot tax regime also offers significant exemptions, such as no corporation tax on dividend income and no withholding tax on dividend distributions to shareholders, unless payments are directed to jurisdictions on the EU's list of non-cooperative jurisdictions. Employees of these

companies also enjoy a favorable personal tax regime. The overall examination and processing time for company registration as an FIC and issuance of relevant permits usually takes approximately two to four months. It is crucial for work permit holders to note they cannot be absent from Cyprus for more than three consecutive months to maintain their permit's validity.

Savva & Associates LTD possesses deep expertise in navigating the intricacies of establishing and managing a Company of Foreign Interests in Cyprus. Their seasoned immigration attorneys and corporate service professionals offer tailored solutions, ensuring a seamless journey from meticulous application preparation to strategic tax optimization and ongoing compliance. The firm?s comprehensive support empowers international businesses to thrive by leveraging Cyprus?s vibrant economy, strategic location, and skilled workforce. Savva & Associates LTD is dedicated to being the cornerstone of their clients' success in Cyprus, transforming complex regulatory landscapes into clear pathways for growth and operational excellence in the European Union. Businesses looking to explore the significant opportunities presented by the Cyprus Foreign Interest Company program are encouraged to seek expert guidance to ensure a smooth and successful establishment.

About Savva & Associates LTD: Savva & Associates LTD is a leading independent, international tax advisory and corporate services firm based in Nicosia, Cyprus. The firm specializes in providing comprehensive solutions including Cyprus company formation, investor immigration services, international tax planning, fund administration, and fiduciary and accounting services. With a commitment to professionalism and client-centric support, Savva & Associates LTD serves a diverse clientele ranging from high-net-worth individuals and entrepreneurs to multinational corporations and investment funds, assisting them in navigating the Cypriot and international business, legal, and tax environment. Their team of qualified lawyers and chartered accountants provides tailored advice to help clients achieve their strategic objectives in Cyprus?s dynamic economy.

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