

REPUBLIC



OF CYPRUS

**DECISIONS OF THE COUNCIL OF MINISTERS****Regulation, Creation of Hotel Beds**

Decision No. 42.538 dated 12.5.1995

Decision No. 51.042 dated 12.1.2000

Decision No. 52.071 dated 27.6.2000

Decision No. 57.070 dated 8.1.2003

**Payment of percentage to the Cyprus  
Tourism Organization**

Decision No. 49.434 dated 31.3.1999

Decision No. 51.810 dated 24.5.2000

Decision No. 56.907 dated 5.12.2002

*(English translation)***Office of the Law Commissioner****Nicosia,****December, 2005**

ΓΕΝ (Α) – .....

**Provisionally released by****the Office of the Law Commissioner**



**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 2978 of the 2<sup>nd</sup> of June 1995**

**PART I  
Decisions of the Council of Ministers**

The Decisions of the Council of Ministers hereinbelow shall be issued by a publication in the Official Gazette of the Republic by virtue of paragraph 4 of Article 57 of the Constitution.

**Number 48  
Regulation of the Creation of Hotel Beds  
Decision number 42.538 dated 12/5/1995.  
(Proposal Number 436/95)**

The Council has decided that, in exercise of the powers vested in it by section 5A of the Hotels and Tourist Establishments Laws, 1969 to 1993, having taken into account the environment, the existing man power, the capacity of the coasts, the water supply, the tourist development and in general all prevailing circumstances as well as the planning rules, which govern the regulation and control of the development in areas under the control of the Republic of Cyprus, the promotion of the hotel development and the service of tourist needs of the areas in the best interest of the Republic, it shall prescribe the areas on the map annexed in the Proposal and the areas referred to in the Proposal are prescribed as areas by the type, category, class and capacity of the hotel development, provided that hotel development is permitted in the said areas in accordance with the provisions prescribed by the Town and Planning Law. In the said areas described in detail hereinbelow, only the type, category and class of the hotel development described below shall be permitted from the date of publication of the said Decision.

**1. Area No. I**

The area under number I shall include the area within the municipal boundaries of the Paralimni Municipality and shall be marked red on the map. In the said area for which the Local Plan has not yet been approved under the Town and Planning Law, the Decision under number 34.544 dated 29.11.1990 of the Council of Ministers shall be in force according to which the Cyprus Tourism organization shall not examine applications for the approval of plans for hotel development.

**2. Areas No. II**

The areas under number II shall include the areas up to the boundaries of the British Bases and the forestry areas marked green on the map and other protected areas and preserved landscapes as prescribed in the policy for rural areas. No development shall be permitted within these areas.

**3. Areas No. III**

3.1 The areas under number III shall include the areas marked yellow on the map and are described hereinbelow:

- (a) the whole area of the municipal boundaries of Ayia Napa and the coastal area of Sotira, Liopetri and Xilofagou villages up to the eastern boundaries of the British Bases of Dhekelia 3 kilometres from the coastal line;

- (b) the whole area of the Local Plan of Larnaca and in addition the District area of Larnaca defined by the line which begins in the western boundary of the British Bases of Dhekelia and extends towards the west in parallel with the coast and at a distance of 3 kilometers from it up until the boundaries of the Local Plan of Limassol and which includes the respective areas of the villages of Pyla, Oroklini, Kelion, Kitiou, Pervolion, Tersefanou, Softadon, Kivisiliou, Mazotou, Anafotias, Alaminou, Ayiou Theodorou, Maroniou, Psematismenou, Zygiou, Tochnis, Kalavassou, Mari, Pentakomou, and the area of the Monagroulli village which is not included in the Town Plan of Limassol;
- (c) the whole area of the Local Plan of Limassol and in addition the area defined by the line which begins from the western boundaries of the Monagroulli village and extends towards the west in parallel with the coast and at a distance of 3 kilometers from it up until the boundaries of the local Plan of Limassol and includes the respective areas of the villages Moni, Pyrgos, Parecclesias, Armenochoriou, Ayiou Tyhona and Moutayiakkas;
- (d) the coastal area of the District of Limassol defined by the line which begins from the western boundary of the British Bases of Episkopi and extends towards the west in parallel with the coast and at a distance of 3 kilometers from the coast up until the western boundaries of the Pissouri and includes the respective coastal areas of the villages Avdimou and Pissouriou;
- (e) the whole area of the Local Plan of Paphos;
- (f) the areas of the Districts of Limassol and Paphos defined by the line which begins from the western boundaries of the village of Pissouri and extends towards the west in parallel to the coast and at a distance of 3 Kilometers from the said coast, until the eastern boundaries of the Local Plan of Paphos and which includes the respective areas of the villages of Alectoras, Kouklion, Mandrion, Anaritas as well as the area of the village Timi which is not included in the boundaries of the Local Plan of Paphos;
- (g) the Peyia village area, outside the area which is included in the Local Plan of Paphos and the forestry areas;
- (h) the District area of Paphos, defined by a line which extends towards the north in parallel to the coast and at a distance of 3 kilometers from the said coast up until the boundaries of the Akama forest and includes the respective areas of the villages Kato Arodon, Inias and Drousia;
- (i) the area of the District of Paphos which is defined by a line which begins from the boundaries of the Akama forest and extends towards the east in parallel to the northern coast and at a distance of 3 kilometers from the said coast up until the western boundaries of the Local Plan of Polis Chrysohous and includes all respective coastal areas of the villages Neo Chorio and Androlikou;
- (j) the whole area of the Local Plan of Polis Chrysohous; and
- (k) the areas of the Districts of Paphos and Lefkosia defined by the line which begins up until the eastern boundaries of the Local Plan of Polis Chrysohous and extends towards the east in parallel to the coast and at a distance of 3 Kilometers from the said coast up until the east boundaries of the village of Kato Pyrgos and includes the respective coastal areas of the villages Pelathousa, Makounta, Argaka, Yiallias, Ayias Marinas, Neon Dimaton, Pomou, Pahiamou, Pygainion, Ayiou Theodorou and Kato Pyrgos.

3.2. Within the areas under number III the erection of any category of hotels, tourist villages and tourist villas shall be permitted.

In all the above cases the CTO shall examine the plans provided that the conditions referred to hereinbelow are fulfilled:

- (a) the net area of the site shall be at least 20.000 sq.m. for hotels and 15.000sq.m. for tourist villages. In the case of tourist villas the provisions of the Regulations in force for the time being are applicable. In cases where a site is affected by reason of restrictions imposed by the Town Planning Authority for green areas, buildings, but in general, for any new road network and areas of public service with a percentage beyond 30% of the area appearing in the certificate of ownership, the Board of Directors of the Organization may approve relaxation as regards the net area of up to 5%. For the ascertainment of the net area of the site, at the time of submission of the application for the issue of a certificate of suitability, a local survey plan shall be submitted to the Organisation in which the affected site shall be marked as well as the Town and Planning Departments' confirmation of the net area after deduction of all restrictions by the Town Planning Authority;
- (b) the maximum number of hotel beds shall be prescribed depending on the area of the site hereinbelow:

Up to 29.999sqm - 350 beds or 175 rooms  
 From 30.000:- 49.999 sq.m - 500 beds or 250 rooms  
 From 50.000 sq.m and above - 600 beds or 300 rooms.

The maximum number of beds for tourist villages shall be prescribed at 600 or 300 small houses / apartments; and

- (c) in order to issue a Certificate of Approval for every development, the site must have a public access road through it with asphalted area of at least 6,5 meters width.

3.3. Within the special areas of the Local Plan of Polis of Chrysohous as well as within the boundaries of development which were in force on the 1/12/1990 of the villages in Group A that is Kiti, Pervolia, Mazotos, Maroni, Zygi, Mari, Pissouri, Kouklia, Peyia, Neo Chorio, Makounta, Argaka, Ayia Marina, Nea Dimmata, Pomos, Pahiammos, Kato Pyrgos, Mouttayaika and Ayios Tyhonas and within the boundaries of the Town Planning Zones Ka6 and Ka6a of villages in Group B that is Emba, Tala, Chloraka, Kissonerga, Konia, Germasoyia and Oroklini as well as in the zones of H2 and H3 of Piyaneia village, which were in force at the date of the present Decision, only small family units of hotels and tourist establishments of any category and class shall be permitted with a maximum number of 60 beds (30 rooms) per unit. (All villages are marked with blue colour on the map).

The above units shall have a local character and the volume and shape of the buildings must fully blend with the scale and local architectural character of the village. The expected area of the site is that prescribed by the Hotels and Tourist Establishments Regulations in force for the time being.

4. In the inner country areas, beyond the coastal zone of the 3 kilometres the following developments shall be permitted:

- (a) In the centre of the villages, that is in areas with continuous building capability only small family hotel units and tourist establishments of any category and class are permitted with a maximum capacity of 60 beds (30 rooms) per unit. These units shall have a local character and the size and shape of the buildings must fully blend with the scale and local architectural character of the village. The compulsory area of the site is that prescribed by the Hotels and Tourist Establishments Regulations in force for the time being;
- (b) within development boundaries of villages the erection of any category and class of hotels and tourist establishments with a capacity of a maximum of 150 beds (75 rooms). In such cases the provisions of the Hotels and Tourist Establishments Regulations are applicable as regards the area of the site. The buildings shall be of two floors (ground floor and one floor) for all the categories; and
- (c) in areas outside the boundaries of development of villages the erection of any category of hotels and tourist establishments constituting part of an entire complex which offer the facilities and opportunities for activities and recreation of guests with a maximum capacity of 600 beds (300 rooms) provided that:
  - (i) the area of the site for hotels and hotel apartments shall at least be 13.000 sq.metres. The area shall have the meaning referred to in paragraph 3.2(a) above;
  - (ii) the provisions of the Hotels and Tourist Establishments Regulations relating to tourist villages and villas shall be applied as respects the area of the site; and
  - (iii) the site shall have a public access road with asphalted area with at least 6.5 meters width for the grant of certificate of approval.

**5.** In the whole area of the Local Plan of Lefkosia the erection of any category of hotels and tourist establishments is permitted. In such cases the provisions of the Hotels and Tourist Establishments Regulations as regards the area of the site are applicable.

**6.** In all cases referred to above except for the development prescribed in paragraph 3.3 and the centers of the villages in the inland as prescribed by paragraph 4(a) upon the submission of the plans to the Organization the following shall be submitted:

- (a) A landscape plan for the complete development and exploitation of the site;
- (b) feasibility study; and
- (c) environmental study under the Decisions of the Council of Ministers for the time being in force.

**7.** It shall be permitted to erect hotel establishments within buildings proclaimed as Monuments of Table Two or scheduled buildings or buildings proclaimed as traditional by the CTO provided any work which is deemed necessary to be done shall concern only auxiliary places in order to secure the smooth operation of the establishment and with the condition that these shall not cause serious change in the size and architecture of the buildings and shall satisfy the provisions of the Hotel and Tourist Establishments (Traditional Buildings) Regulations in force for the time being.

**8.** It shall be permitted to erect camping areas anywhere, provided this is permissible by the town planning provisions in force and the provisions of the Hotels and Tourist Establishments Regulations are satisfied.

**9.** It shall be permitted to extend and convert existing units, that is units which were in operation on the date of publication of the present Decision irrespective of category, except for tourist apartments, provided that:

- (a) The Hotels and Tourist Establishments Regulations in force for the time being are satisfied. The area of the site provided by the Regulations shall be applicable;
- (b) the area of the existing public spaces is not reduced; and
- (c) there is available site for exploitation.

**10.** The hoteliers who have been ousted from their businesses, to whom government land has been granted in the Paralímni area for the erection of small hotel units, by virtue of a Decision of the Council of Ministers, shall be exempt from this decision.

**11.** Provided that any preceding securing of a certificate of suitability of the site shall not entitle the submission of plans for approval unless the provisions of the present Decision are satisfied.

**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 3387 of the 11th of February 2000**

**PART I  
Decisions of the Council of Ministers**

The Decisions of the Council of Ministers hereinbelow shall be issued by publication in the Official Gazette of the Republic by virtue of paragraph 4 of section 57 of the Constitution.

**Number 28**

**Amendment of the Decision of the Council of Ministers number 42538 dated 12.5.1995,  
concerning the regulation of creation of hotel beds.  
Decision number 51.042 dated 12.1.2000**

As regards Decision No. 42.538 dated 12.5.1995, the Council has decided to approve the amendment of paragraph 3.2(b) of the above decision as hereinbelow:

«As regards hotels the highest number of beds shall be determined by the area of the site as hereinbelow:

up to 29.999 sq.m	350 beds or 175 rooms
from 30.000 sq.m - 49.999 sq.m	500 beds or 250 rooms
from 50.000 sq.m - 99.999 sq.m	600 beds or 300 rooms

It shall be permitted in sites with an area beyond 100.000 sq.m to erect a maximum of 60 rooms for every 20.000 additional sq. meters.

In such cases these units shall be equipped with installations and facilities which shall provide possibilities and opportunities for employment, activities and recreation of the clientele, depending on the needs in various sectors of the market to which they are addressed, as these arise from the various market studies, beyond those prescribed by the Hotels and Tourist Establishments Regulations in force.

The maximum number of beds in tourist villages in relation to the area of the site shall be prescribed as follows:

up to 29.999sq.m	300 small houses/apartments or 600 beds.
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It shall be permitted in sites with an area beyond 30.000sq.m to erect a maximum of 30 small houses/apartments for every 15.000 additional sq.meters.

In cases of sites with an area beyond 50.000sq.m, irrespective of hotel class and where planning zones do not provide for a stricter percentage, no area beyond 20% of the building plot must be covered.»



**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 3424 of the 4<sup>th</sup> of August 2000**

**PART I  
Decisions of the Council of Ministers**

The Decisions of the Council of Ministers hereinbelow are issued by publication in the Official Gazette of the Republic by virtue of paragraph 4 of Article 57 of the Constitution.

**Number 80  
Regulation of Creation of Hotel Beds  
Extension of tourist establishments in Paralimni.  
Decision Number 52.071 dated 27.6.2000.**

The Council, in exercise of the powers vested in it by section 5A of the Hotels and Tourist Establishments Laws, 1969 to 1999, has decided to approve the recommendations hereinbelow of the competent Ministerial Committee for partial relaxation of the prohibitive order in force in the Paralimni area for hotel development (Decision of the Council of Ministers under number 34.544 dated 29.11.1990) up to 31.12.2000, in order to allow the extension of the existing tourist units under the following conditions:

- (a) Extensions shall be allowed for units in operation with a CTO licence on 2.6.1995 (date of publication of the Decision under Number 42.538 dated 12.5.1995) irrespective of category, except for tourist apartments, under the provisions of subparagraphs (i) and (g) hereinbelow.
- (b) The total capacity of the extensions granted in the area shall be about 2000 additional beds.
- (c) There shall be compliance with the Hotels and Tourist Establishments Regulations, 1993 as regards rooms/apartments, public spaces and the area of the site.
- (d) There shall be a site available for exploitation.
- (e) As regards extensions a building permit shall be issued within a period not exceeding one year from the date of submission of the relevant application and the erection of additions shall be completed within two years from the date of issue of the building permit.
- (f) The extension permitted for every category for hotel development shall be as follows:
  - (i) As regards hotels with an existing capacity of up to 100 rooms the permitted percentage of extension shall be 100%, as regards hotels with a capacity between 101 and 135 rooms the permitted percentage of extension shall be 50% and as regards hotels with a capacity of 136 rooms and over the above percentage shall be restricted to 30%. Provided that, in case of hotels whose existing capacity exceeds 100 rooms, further extension shall be possible so that in every case a unit may be created with a capacity of at least 200 rooms.

- (j) As regards organised apartments with an existing capacity of up to 100 rooms the permitted percentage of extension shall be 100%, provided that the total number of apartments shall not exceed 150, as regards organized apartments with an existing capacity of 101 apartments and over the permitted percentage of extension shall be 50%, provided that the total number of apartments shall not exceed 180.

- (g) As regards tourist villages the extension percentage shall be 30%.

In the above three cases, development shall be the net area of the site, over which additions shall be made, and which results following the granting to the public of land for the creation of public green zone over property under development. The extension of the public green zone granted shall be 10% of the area of the site under development. Public green zone shall not be granted where the area of the new site is less than 2.500 sq.m. In case where the additions are made in the site where the development is taking place, the deduction of the green zone, in accord with the above, shall be made from the part of the property which corresponds to/is required for the extension.

**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 3681 dated 7<sup>th</sup> of February 2003.**

**PART I  
Decisions of the Council of Ministers**

The following Decisions of the Council of Ministers shall be issued by publication in the Official Gazette of the Republic by virtue of paragraph 4 of Article 57 of the Constitution.

**Number 30  
Measures for the control of the increase in beds- Decision of the Council of Ministers,  
Number 44.586 dated 17.7.1996  
Decision Number 57.070 dated 8.1.2003.**

The Council has decided to approve the annulment of sub-paragraph A5 of decision number 44.586 dated 17.1.1996 and to substitute same with the following:

«A town planning permit, in deviation of the provisions of the development plan for tourist units may be granted in accordance with the Town and Planning Regulations, 1999, provided the following prerequisites are fulfilled:

- (a) The arbitrary extensions/conversions were made until the date of publication of the present Decision of the Council of Ministers.
- (b) The provisions of the Hotels and Tourist Establishments Regulations which were in force at the last approval of plans granted for each case by the Cyprus Tourism Organization are fulfilled.
- (c) In cases of hotels with stars, tourist villages, tourist villas and organized apartments of Class A' and B' the application shall concern building conversions/additions, addition of rooms/apartments or combination of both».

**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 3324 dated the 7<sup>th</sup> of May 1999**

**PART I  
Decisions of the Council of Ministers**

The following Decisions of the Council of Ministers shall be issued by publication in the Official Gazette of the Republic by virtue of paragraph 4 of Article 57 of the Constitution.

**Number 42**

**3% Percentage and overnight accommodation fees for the Cyprus Tourism Organization.**

**Decision number 49.434 dated 31.3.1999**

**(Proposal Number 217/99)**

The Council, for reasons referred to in the Proposal, has decided the following:

A. Payment of a percentage to the Cyprus Tourism Organization pursuant to section 14 of the Catering and Entertainment Establishments Laws, 1985 and 1991.

To prescribe, pursuant to the provisions of section 14 of the Catering and Entertainment Establishment Laws 1985 and 1991, from the 1<sup>st</sup> of November 2000 a percentage of 3% over all invoices of customers:

- (i) of catering and entertainment establishments ,operating outside hotels businesses, for services rendered in the establishment, with the exception of taxes and service charges.
- (ii) of catering and entertainment establishments operating within five up to one star hotels or tourist establishments, pursuant to the provisions of the Hotels and Tourist Establishments Laws, 1969 to 1999, for the services rendered in the said catering and entertainment establishments, with the exception of taxes and service charges.

Catering and entertainment establishments operating in mountainous areas shall be exempt from the above.

B. Payment of fixed sums for a customer's overnight or all day accommodation to the Cyprus Tourism Organization, pursuant to section 10 of the Hotels and Tourist Establishments Laws, 1969 to 1999.

To prescribe, pursuant to sub-section (7) of section 10 of the Hotels and Tourist Establishments Laws, 1969 to 1999, the fixed sums for overnight and all day accommodation of a customer aged 10 years and over to the Cyprus Tourism Organization as hereinbelow stated:

From 16.3.2001 up to 15.11.2001  
and thereafter from 16.3 until 15.11  
of each year

cent

Five star hotels	100
Four star hotels	64
Three star hotels	44
Two star hotels	27
One star hotels	16
Hotel without a star	12
Luxury organised apartments	64
Organised apartments class A	43
Organised apartments class B	27
Organised Apartments class C	24
Hotel apartments	24
Luxury tourist villas	100
Tourist villas class A	60
Tourist villas class B	50
Tourist villas class C	32
Tourist villages class A	50
Tourist villages class B	37
Traditional buildings	24
Hostels	12
Tourist campings irrespective of class	10

**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 3415 of the 30th of June 2000**

**PART I  
Decisions of the Council of Ministers**

The following Decisions of the Council of Ministers shall be issued by publication in the Official Gazette of the Republic by virtue of paragraph 4 of Article 57 of the Constitution.

**Number 67**

- (a) Payment of a percentage to the Cyprus Tourism Organization pursuant to section 14 of the Catering and Entertainment Establishments Laws, 1985 to 1991.
- (b) Payment of a percentage to the Cyprus Tourism Organization pursuant to section 10 of the Hotels and Tourist Establishments Laws, 1969 to (No. 2), 1999.

**Decision Number 51.810 dated 24.5.2000.**

The Council has decided:

- (a) To abolish Decision Number 49.434 dated 31.3.1999 concerning the payment of the percentage of 3% for every invoice of customers of catering and entertainment establishments and the payment of a fixed sum for overnight and all day accommodation of a customer aged 10 years and over, to the Cyprus Tourism Organization.
- (b) To prescribe, pursuant to the provisions of section 14 of the Catering and Entertainment Establishments Laws, 1985 to 1999, from the 1<sup>st</sup> of July 2000, the payment of a percentage of 3 % over all invoices of customers to the Cyprus Tourism Organization:
  - (i) of catering and entertainment establishments, operating outside hotels businesses, for the services rendered in the establishment, with the exception of taxes and service charges.
  - (ii) of catering and entertainment establishments operating in hotels of one up to five stars or in tourist establishments, pursuant to the provisions of the Hotels and Tourist Establishments Laws, 1969 to (No. 2), 1999 for the services rendered in such establishments, with the exception of taxes and service charges.
- (c) To prescribe, pursuant to sub-section (7) of section 10 of the Hotels and Tourist Establishments Laws, 1969 to (No. 2), 1999, upon the 1<sup>st</sup> of July 2000, the payment of the percentage of 3% over bed prices, to the Cyprus Tourism Organization.

**FOURTH SUPPLEMENT  
OF THE OFFICIAL GAZETTE OF THE REPUBLIC  
Number 3676 of the 24<sup>th</sup> of January 2003**

**PART I  
Decisions of the Council of Ministers**

The following decisions of the Council of Ministers shall be issued by publication in the Official Gazette of the Republic by virtue of paragraph 4 of Article 57 of the Constitution.

**Number 12  
3% percentage to the Cyprus Tourism Organization  
Decision Number 56.907 dated 5.12.2002**

The Council has decided to approve the suspension of the payment of a percentage of 3% to the Cyprus Tourism Organization for the period 1.1.2003-31.12.2003 for accommodation purposes only.