
**IMMOVABLE PROPERTY ACQUISITION
(CONTROL) (LICENCE) REGULATIONS 2022**

The Administrator makes the following Regulations in exercise of powers in section 9 of the Immovable Property Acquisition (Control) Ordinance 2022(a).

Citation

1. These Regulations may be cited as the Immovable Property Acquisition (Control) (Licence) Regulations 2022.

Commencement

2. These Regulations come into force on 16 May 2022.

Application of Regulations

3. These Regulations apply to the grant of a licence for the acquisition of immovable property by a 3rd country national—

- (a) for any use other than a residence for the 3rd country national acquiring the property, or
- (b) that exceeds an area of 2,676 square metres.

Use of immovable property

4.—(1) The Administrator may grant a licence only if the immovable property in question is for use as—

- (a) a residence by the 3rd country national acquiring the property,
- (b) business or commercial premises, or
- (c) industrial premises which the Administrator considers are likely to benefit the economy of the island of Cyprus.

(2) A licence for the purpose specified in paragraph (1)(a)—

- (a) may be granted only where—
 - (i) the residence is under construction, or has already been constructed, and is on an area of immovable property which does not exceed 4,014 square metres, or
 - (ii) the area of the plot to be acquired does not exceed 4,014 square metres;
- (b) must only allow a single residence to be constructed on the immovable property to be acquired.

(3) A licence for the purpose specified in paragraph (1)(b) or (c) may be granted only where—

- (a) the premises are under construction or have already been constructed, or
- (b) the total area of the plot to be acquired is prescribed as a condition of the licence.

(a) Ordinance 13/2022.

Area of immovable property

5. A licence for a purpose specified in regulation 4(1)(b) or (c) may permit the acquisition of—
- (a) an area of immovable property which is reasonably necessary for the immediate business requirements of the 3rd country national to whom the licence is granted; and
 - (b) such additional area which may be reasonably required to allow for the expansion of the 3rd country national's business.

Terms of licence

6. A licence may relate to one or more of the following—
- (a) the transfer of the immovable property to a 3rd country national in accordance with the Immovable Property (Tenure, Registration and Valuation) Ordinance (a);
 - (b) the grant or transfer of a lease to a 3rd country national for any term; or
 - (c) the creation of a trust for the benefit of a 3rd country national.

Conditions on grant of licence

7.—(1) Conditions A to D apply to every licence, and a licence may include any other conditions the Administrator considers appropriate.

(2) Condition A is that the licence ceases to be valid if there is non-compliance with any condition of the licence.

(3) Condition B is that the property must be acquired and developed—

(a) where regulation 4(1)(a) or (b) applies—

(i) where a building has been constructed, within 1 year, or

(ii) where a building is to be constructed, within 3 years,

of the date of the grant of the licence; or

(b) where regulation 4(1)(c) applies, within 1 year of the date of the acquisition of the property.

(4) The Administrator may provide for longer time limits than those specified in paragraph (3) if, having regard to the particular circumstances of the case, the Administrator considers it appropriate to do so.

(5) Condition C is that all outstanding taxes or charges in respect of the property must be paid to the appropriate authority prior to the registration of the property.

(6) Condition D is that the property may be used only for the purpose specified in the licence, and that any other use or development is prohibited.

(7) In this regulation “appropriate authority” means the authority to which the taxes or charges are payable.

Delegation of functions to the Republic

8.—(1) Except as specified in paragraph (2), the functions of the Administrator in these Regulations are qualified delegated functions for the purposes of the 2007 Ordinance (b).

(a) Cap 224, Statute Laws of Cyprus revised edition 1959, as applied in the Areas by the Sovereign Base Areas of Akrotiri and Dhekelia Order in Council 1960 (SI 1960/1369, United Kingdom). Schedule 2 to the Interpretation Ordinance 2012 (Ordinance 8/2012) applies to the interpretation of such legislation.

(b) The 2007 Ordinance is defined in the Immovable Property Acquisition (Control) Ordinance 2016 as the Delegation of Functions to the Republic Ordinance 2007.

(2) The grant of a licence where the land is to be acquired for business, commercial or industrial premises is a modified qualified delegated function for the purposes of the 2007 Ordinance.

(3) The modification referred to in paragraph (2) is that the Administrator must approve the grant of the licence.

Dated this 11th day of May 2022.

R. Thomson,
Administrator,
Sovereign Base Areas.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Introduction

1. This explanatory note relates to the Immovable Property Acquisition (Control) (Licence) Regulations 2022 (the “Regulations”). It has been prepared by the Office of the Attorney General and Legal Adviser in order to assist the reader of the Regulations. It does not form part of the Regulations.

2. The Regulations are made under the Immovable Property Acquisition (Control) Ordinance 2022 (the “Ordinance”). They reflect the Republic’s Acquisition of Immovable Property (Aliens) (Conditions, Restrictions, Requirements and Criteria for the Grant of a Licence) Regulations 1990 as amended (P.I. 374/1990).

Particular points

3. The Regulations prescribe the conditions for the grant of a licence for the acquisition of immovable property by a 3rd country national where it will not be used as a residence for that 3rd country national, or where the area of the plot exceeds 2 donums (a donum is 1,337.8 square metres). Third country nationals are defined in the Ordinance. In summary, they are persons (including bodies corporate controlled by persons) who are not citizens of the Republic of Cyprus, other EU member states or states that are part of the EEA.

4. Under regulation 4, a licence may be granted only if the acquisition is for a residence to be used by the 3rd country national acquiring the property or for business, commercial or industrial premises. In the case of immovable property acquired for a residence the total area must not exceed 3 donums. Under regulation 5, property acquired for business, commercial or industrial premises may be of an area sufficient to meet immediate business needs and to allow for expansion.

5. Regulation 6 provides that a licence may relate to the transfer of property to a 3rd country national, the grant of a lease to a 3rd country national or the creation of a trust for the benefit of a 3rd country national.

6. Regulation 7 sets out the conditions which must be imposed on a licence. These are that: the licence ceases to be valid in the event of non-compliance; the acquisition and development of the property must be done within specified time limits; before registration of the property all outstanding taxes and charges must be paid; and the property may be used only for the purpose specified in the licence.

7. Regulation 8 provides that the function of issuing a licence is a qualified delegated function for the purposes of the Delegation of Functions to the Republic Ordinance 2007. The effect of the delegation is that licences are issued by the authorities of the Republic of Cyprus but are subject to prior consultation with the Administration. Where the land is to be acquired for business, commercial or industrial premises the delegation is modified by the additional requirement that the Administrator must approve the grant of the licence.

SBA/AG/2/LD/607/1
