



**CYPRUS SHIPPING CHAMBER
37th ANNUAL GENERAL MEETING
13 MAY 2026**

OPEN SESSION

**Address by Mr. Andreas Neophytou
President**

- **President of the House of Representatives**
- **Former President**
- **Ministers**
- **Members of Parliament and Party Representatives**
- **Excellencies**
- **Distinguished Guests**
- **Ladies and Gentlemen**

It is my great pleasure to welcome you all to the 37th Annual General Meeting of the Cyprus Shipping Chamber.

I would like to extend our sincere appreciation to His Excellency the President of the Republic, for his kind words about the Chamber and the Cyprus Shipping sector as well as for his personal commitment and the continued support of his Government towards our industry.

We also wish to acknowledge and congratulate the Presidency and the Shipping Deputy Ministry for their extraordinary efforts during the ongoing Presidency of the Council of the European Union by Cyprus. Your work has been truly exemplary, demonstrating a level of proactive leadership that ensured Shipping was clearly positioned as a top-tier priority on the European agenda.

Madame President,

I would also like to warmly thank you for your address earlier today, as well as for your continuous support and your deep appreciation of Shipping's vital contribution to our national economy. Your recognition of our industry serves as a powerful testament to its importance for the future of this country.

We are also honoured to have with us today Professor Marios Panagiotis Efthymiopoulos, Director at Strategy International who will give us an analysis of the challenges facing the globe and in particular shipping in today's increasingly complex and uncertain geopolitical environment.

Ladies and gentlemen,

The Cyprus Shipping Chamber continues to play a central role in representing and supporting the shipping industry, which remains a pillar of our country's economy. I am pleased to note that Cyprus Shipping has maintained its dynamism and resilience, continuing to contribute significantly, approximately 7%, to the country's GDP.

We are also extremely pleased to note the additional tonnage that has been added to our Cyprus flag register over the last 2 years. Cyprus continues to enjoy global recognition both as a quality and leading flag and a shipmanagement and shipping services centre. With regard to the shipmanagement sector, we are pleased to report record performance, as reflected in the Central Bank of Cyprus Shipmanagement Survey. Total sector revenues for 2025 exceeded €1.9 billion, reaching their highest level of the last five years.

This confirms that Cyprus Shipping, remains one of the country's most important pillars of growth, making a substantial contribution to economic activity and employment.

Allow me now to briefly reflect on some of the key global and national issues that have shaped the past year.

Dear Guests,

We meet at a juncture where the thin line between regional friction and global economic stability has never been more apparent. On the global stage, geopolitical developments are no longer mere uncertainties. They are active drivers of volatility that challenge the resilience of international markets. These conflicts have a direct, corrosive impact on shipping routes and operational costs.

Most critically, they place an unjustified and unreasonably burden on our Seafarers. As the backbone of global trade, they too often bear the human consequences of disruptions they did not create. We must be clear. Their safety, wellbeing and fundamental rights are not negotiable and should also be all Governments', top priority.

Throughout 2025, the persistent targeting of international shipping by the Houthi group in Red Sea, underscored a disturbing trend of non-state actors disrupting trade routes. This year, the risk profile shifted further as we witnessed a dangerous escalation fuelled by renewed tensions in the Persian Gulf region.

While we are somehow encouraged by the ceasefire reached and hope it leads to a lasting peace, we must remain realistic. We must remain vigilant to ensure the safety of our vessels and crews. The Hormuz Strait is a vital artery for the entire world. Freedom of safe navigation is a fundamental right under international law and must be protected at all times.

Moving beyond geopolitics, we must address the other defining challenge of 2025. The shipping sector's transition to net-zero Green House Gas emissions. The adjournment of the Net-Zero Framework discussions at the International Maritime Organisation's last October, has given us valuable time.

This period is proving necessary for the international shipping community to conduct deeper analysis, foster collaboration and develop the practical solutions needed for an effective, balanced and realistic transition, one that is technically feasible and economically viable for all stakeholders. Crucially, it also provides a vital opportunity to build a broader consensus on the framework's actual content and structure.

We must use this time constructively. It is essential to remember that the absence of such a framework increases the risk of "regulatory fragmentation," where regional or unilateral measures create higher costs and further uncertainty for our industry. Conversely, a common, internationally accepted approach sends a clear message of unity and determination.

Dear Guests,

While we navigate these international waters, our work at home remains equally intensive. Moving now to national developments, the past year has seen the Chamber take a lead role in several critical areas that directly impact our competitive edge and the future of Cyprus Shipping.

A primary focus has been the Cyprus Tax Reform in effect since 1 January this year. Throughout 2025, the Chamber actively participated in the development of the tax reform package, ensuring that the voice of the shipping industry was heard at every stage of the legislative process.

We were particularly pleased that our EU approved, very successful and competitive Tonnage Tax System has not been affected. We were equally pleased to see the repeal of the Stamp Duty Law, a move that simplifies transactions and reduces administrative burdens. Furthermore, regarding the "90-day rule," we received firm assurances from the Tax Commissioner that the practices followed prior to the introduction of the Tax Reform will be maintained.

The preservation of Cyprus' Shipping Taxation System is imperative. Maintaining this framework is essential for the stability and attractiveness of our maritime cluster.

In parallel with these fiscal matters, the operational environment remains equally critical to our success.

Dear Shipping Minister,

We commend the continued development of your Ministry as a modern, efficient "One-Stop Shipping Centre". Beyond these administrative milestones, I would like to personally acknowledge your tireless dedication and the proactive spirit you bring to your role. We truly value your hands-on approach and your clear vision for the future of Cyprus shipping, both of which have contributed significantly to the continued strength and reputation of our sector. We remain fully committed to supporting the Ministry in achieving its goals and ensuring that Cyprus remains at the forefront of maritime centres.

Ladies and Gentlemen,

As we look to maintain this competitive edge, we must also address the financial mechanisms driving our green transition through innovation. In this regard, the Cyprus Shipping Chamber

remains firm in its position on the inclusion of shipping in the EU's Emissions Trading Scheme (ETS). We have consistently advocated that revenues generated from this mechanism should be reinvested directly back into the maritime sector to support, sustainability, innovation and the green transition.

We ask for a balanced national approach, ensuring that ETS revenues are utilised to support the sectors contributing to them. For our industry, this means reinvesting in the practical, green operations and new technologies necessary to achieve our shared environmental goals.

We must also address the human dimension of our industry, specifically the issue of Social Insurance for EU Seafarers on Cyprus flag ships. This remains a matter of significant concern, requiring practical and fair solutions that support both employers and seafarers while safeguarding our competitiveness.

To this end, the Chamber is actively collaborating with the Shipping Deputy Ministry, as well as the Ministries of Finance and Labour, to explore the introduction of a State Aid Scheme for EU Seafarers employed on Cyprus-flagged ships.

Finally, we were pleased that the Cyprus Government recognised the significant potential in the development and implementation of a National Strategy on Cruise Tourism during the past year. A dedicated strategy to re-position Cyprus as a destination for cruise vessels but also as a home port for cruises can unlock vital economic opportunities and further strengthen the synergy between our maritime and tourism industries.

Ladies and gentlemen,

Before I close, I would like to take a moment to extend my sincere appreciation to my fellow Members of the Board of Directors and to all our Members for your continuous trust, cooperation and active engagement. The strength of this Chamber has always been rooted in the unity and commitment of its Leadership and Membership.

I would also like to extend a special word of appreciation to our Professional Associates. Your ongoing cooperation and support are indispensable to the strength of our industry, and we deeply value your contribution.

Looking ahead, we remain fully committed to supporting the sustainable growth of Cyprus Shipping, strengthening our international competitiveness and navigating the evolving global landscape. While challenges persist, we are confident that through collaboration, strategic planning and continued dialogue with all stakeholders, our industry will not only adapt but continue to thrive.

In closing, I thank you all once again for your presence today and for your enduring support of the Cyprus Shipping Chamber and the Cyprus Shipping Industry.

Thank you.