

4. Are you in communication with government, other chartered surveyors and other interested parties for coordination to reach your targets?

We are in continuous communication with other firms of chartered surveyors and currently exchanging ideas on actions to improve the current conditions. We are hoping to have firm suggestions available by the time the lockdown restrictions are lifted. We are closely monitoring suggestions and guidelines by professional bodies such as the RICS and ALEP and contribute where possible.

5. Tell us about your company's latest news

As a company we continue to operate as previously, as we have recently invested heavily in new systems which have enabled us to work remotely in a seamless manner.

We continue to deal with instructions as efficiently as always. In general, enquiries and instructions are coming through, albeit at a reduced level. The Leasehold Enfranchisement sector in particular, has seen an increased number of enquiries during the lockdown.

6. Your final statement

We remain hopeful that the pandemic will leave us very soon and that its impact on our daily lives, businesses and loved ones will be restored. We feel it is our duty to thank the frontline key workers, all NHS staff, emergency services, transport, supermarket workers and everyone behind the scenes who are risking their lives to keep the public safe.

George Ayiomamitis, Managing Director - Sovereign Trust (Cyprus) Limited



1. What is the impact of the COVID-19 for the economy in general and which sectors of the economy will affect mostly?

As with most other countries, all non-essential businesses in Cyprus were closed in mid-March to combat the COVID-19 pandemic. The Cyprus government has approved a strategic plan for slowly lifting restrictive measures for some businesses in May, but the economy is not expected to be back in full swing until 2021.

These will broadly follow the guidelines issued by the European Commission for a gradual exit from a general lockdown, so that member states can coordinate to avoid a negative impact between them and in order for the single market to operate smoothly.

The 'lockdown' has entailed a major reduction of economic activity in Cyprus. The main sectors that drive the Cyprus economy – tourism, construction, shipping – have been badly hit, while the impact on the services industry has probably been less severe.

While we were not expecting GDP growth similar to the 3.2% posted in 2019, the government had been anticipating a growth rate of 2.6% and a budget surplus of €600 million in 2020. That obviously is not going to happen. As things stand, 2020 is expected to close with a €1 billion budget deficit at best.

The government's response measures will be important so that when the economy starts functioning again, the recovery will come faster and stronger. The coronavirus crisis may also push Cyprus to diversify its economic model to reduce its dependence on one or two sectors.

This might present a good opportunity to start planning and developing further other promising industries such as education or research and innovation, and to make Cyprus more digitally driven in order to compete in the global economy.

2. How your office keeps your clients, associates and the public aware of the current government supportive measures and other useful decisions taken by other institutions or associations?

Sovereign's offices in Asia have been dealing with the consequences of the outbreak since it was first identified last year, so we were well equipped as a group with the know-how and technological resources needed for our teams to be able to continue to deliver the service that our clients expect.

The Sovereign team globally has been helping to navigate these obstacles by developing practical continuity plans and comprehensive solutions to protect clients and their businesses. The health and safety of our employees is also essential, and our remote working policies have proved robust and effective.

We have also been keeping our clients informed through e-shots and other contacts about the Cyprus government's €700 million Emergency Financial Support Programme for employees, small and medium-sized enterprises and Cypriot companies, as well as about any extensions to deadlines for filing returns, making payments or other obligations. All our offices have been doing the same around the world.

3. What activities, promotions and measures your office will take in the near future aiming to return back to normal?

As the timing and nature of any relaxation of restrictions is uncertain, it would be sensible for businesses to consider all the options and have the capability to move quickly from one scenario to another. Employers need to plan now for what is likely to be staged return to the workplace over what could be prolonged periods. The guiding principle should be to take care of staff and safeguard their health and well-being. We will continually monitor the situation and make any changes to our policies as the situation allows.

Times like these call for us to adapt and be flexible and our approach is to work closely with clients to identify how best to deal with the situation and arrive at the most favourable solution for their particular case.

4. What is the best investment decision in situations like the current one?

Sovereign does not give investment advice, but the Covid-19 pandemic is a stark reminder to businesses and individuals that market volatility is never far away. Investor concerns have centred on the impact that the Covid-19 outbreak is having on global supply chains and consumer spending and ultimately the effect on the global economy. Although it is uncomfortable at times like this, provided that investments are constructed around a risk-based and asset allocated framework, they should prove robust in the longer term.

5. What are your advices to the businesses?

Form an emergency response committee – this will give you the ability to react swiftly to changes in circumstances, new information and guidance.

Know your cashflow – maintain short-term weekly cashflow forecasts so you can identify and prioritise your outgoings and be in the strongest possible financial position.

Open dialogue with suppliers or creditors – an upfront conversation with suppliers and creditors will give you a clear picture of what and when you need to pay and may also enable you to renegotiate payment terms or amounts.

Check eligibility for support – most governments and a number of banks have announced an unprecedented range of support measures for businesses. Research what's available and understand how you can access it and what timescales are likely to be involved.

Keep on top of employment contracts – if you've been forced to change the way you do business, make sure your employees' contracts reflect this and that any changes have been discussed with them before they're introduced.

Keep communicating – open communication is vital in maintaining key relationships for your business – staff, customers and suppliers – and ensuring that you can make decisions based on the best possible information.

Seek reputable advice – any directors or business owners whose businesses may struggle should seek professional advice as early as possible. Early advice gives you a greater range of options to find and implement solutions to the challenges you face and will enable you to make a considered decision, rather than a rushed one.

6. Your final statement

The stringent containment measures adopted worldwide do appear to be working, but containment will come at a considerable economic cost. We hope that with billions now being injected into the global financial system by central banks and governments, some sense of market stability will emerge before too long.

As COVID-19 continues to evolve, it reinforces the need for us to act together to keep not only our families, employees and communities healthy, but also our businesses and the economy. The Sovereign team globally is helping to navigate these obstacles by developing practical continuity plans and comprehensive solutions to protect clients and their businesses.