

### Recent history

Both countries are former British colonies. With the dismantling of the British Empire following World War II, Cyprus and Malta were granted independence, in 1960 and 1964 respectively. Cyprus became a republic, while Malta kept the Queen as Head of State until 1974. Both joined the Commonwealth. Due to their strategically important locations, both countries have a long history of invasion and conflict. Indeed, to this day Cyprus remains separated. Its population is ethnically and geographically divided between the majority Greek speakers in the south and the minority Turkish speakers in the north. Only the Greek-Cypriot part of the island has gained EU membership.

Unrest has existed between the two communities since independence. In 1974, Turkey invaded Cyprus, claiming that they were defending the Turkish minority population. Turkey occupied the northern third of the island. The Greek-Cypriot government in the south proclaimed itself the island's legitimate government, and gained international recognition as the Republic of Cyprus. The UN established a separating line between the two parts of the island and, in 1983, Turkish-occupied Cyprus declared itself the Turkish Republic of Northern Cyprus (TRNC). Although significant attempts were made to broker a peace deal that would allow the reunification of the island in the 1990s and early 2000s, efforts failed. Peace talks were resumed following the recent election of Turkish Cypriot President Mustafa Akinci.

### Cyprus: key facts



❖ Capital	Nicosia
❖ Population	860,000 (2014)
❖ % of total EU population	0.2%
❖ Official languages	Greek
❖ Year of EU accession	2004
❖ Currency	Euro since 2008
❖ Schengen Area member	No
❖ Seats in European Parliament	6



### Current government

Malta is a representative parliamentary republic. The Head of State is the President, currently Marie Preca who serves a term of five years and who has mainly ceremonial duties. The Prime Minister currently Joseph Muscat heads the government. Laws are made by the single chamber House of Representatives (*Kamra tar-Rapprezentanti*), which has 65 members. Malta has a two-party system. At the last general election in March 2013, the Nationalist Party, which had been in power since 1998, was defeated by the Labour Party.

Cyprus is a presidential republic. Its 1960 Constitution was designed to balance power between Greek and Turkish-Cypriots, but since partition Greek Cyprus has continued to use the same structures. Most executive power is held by the President, while there is a separate 59 member House of Representatives (*Vouli Antiprosópon*). The current President, Nicos Anastasiades, was elected in 2013.

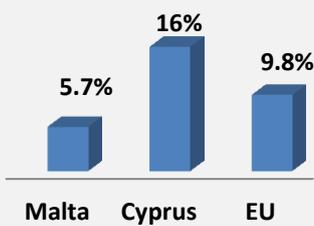
### Malta: key facts



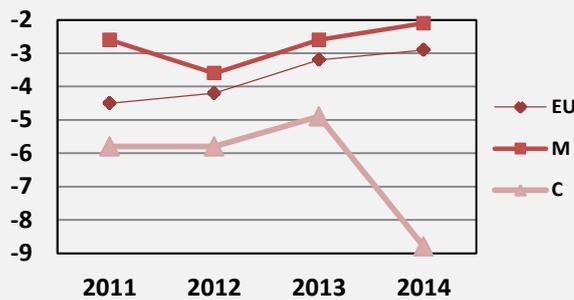
❖ Capital	Valletta
❖ Population	430,000 (2014)
❖ % of total EU population	0.1%
❖ Official languages	Maltese and English
❖ Year of EU accession	2004
❖ Currency	Euro since 2008
❖ Schengen Area member	Yes, since 2007
❖ Seats in European Parliament	6



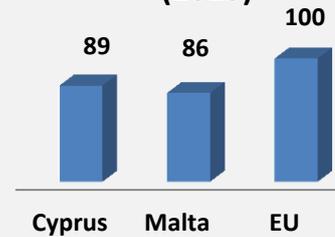
**Unemployment rate (2015)**



**Public budget deficit/surplus**



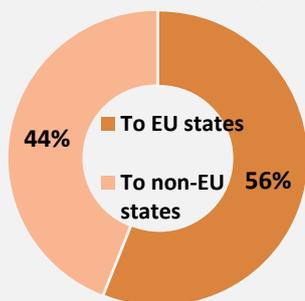
**GDP per capita in PPS (2013)**



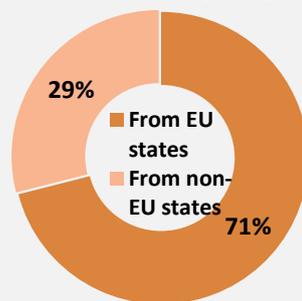
## Relations with the EU

While most of the attention leading up to the expansion of the EU in 2004 focused on the former Communist states of central and eastern Europe, Maltese and Cypriot accession also marked a significant change. It was an important step onto the world stage for both countries. As the smallest member of the EU with a population of about 423,000 people, Malta gained status by joining the EU, where it nominates an EU Commissioner and elects five MEPs to the European Parliament. In December 2007, Malta became part of the Schengen area, which enables passport free travel across national borders, and it joined the **Eurozone** in January 2008. For Greek Cyprus, EU membership was an important recognition of their claim to **sovereignty**. In the build-up to Cyprus joining, the EU, along with the UN, played a leading role in attempting to reunify the island. They made their offer of membership on the basis that the whole island would join. It was not clear whether Cyprus would be able to join without reunification. However, when this proved impossible following an unsuccessful referendum in 2004, the Greek part of the island joined alone. This prevented the TRNC's population from enjoying the benefits of EU membership. Recently, there have been signs of progress: travel restrictions were lifted and, following the election of Demetris Christofias as Cyprus' President in February 2008, UN-sponsored talks were held between the Turkish and Greek leadership in March 2008. Also, on 4 April 2008, a famous shopping street that crosses one of the Island's divided cities was reopened for the first time in 40 years. This on-going situation has important implications for Turkey's prospects of EU membership. In December 2006, eight of Turkey's 35 negotiating chapters were suspended when it failed to open its ports to Greek Cypriot ships. Greek-Cyprus joined the **Eurozone** in January 2008. Cyprus was severely affected by the economic crisis in Greece and suffered financial difficulties after an explosion at a power plant knocked out half of the island's energy supply. In March 2013, Cyprus negotiated a bailout of €10bn with the troika of the European Commission, the European Central Bank and the IMF. The deal involves the restructuring of Cyprus's banking sector, the closure of its second biggest bank and potential losses for savers with deposits of over €100,000.

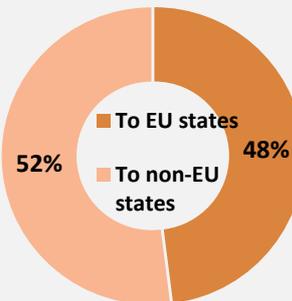
**Cypriot exports (2015)**



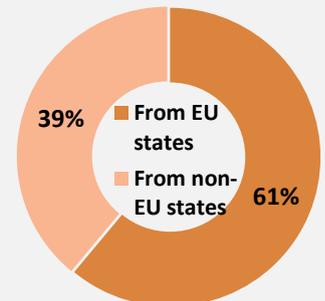
**Cypriot imports (2015)**



**Maltese exports (2015)**



**Maltese imports (2015)**



### Technical Terms

- ❖ **Sovereignty**: having the ultimate power to make decisions about your country.
- ❖ **Eurozone**: the geographical/economic area formed by the EU countries that have adopted the euro
- ❖ **PPS**: GDP per head is expressed in Purchasing Power Standards (PPS) to eliminate the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries

### Links

- ❖ <http://ec.europa.eu/eurostat>
- ❖ [http://www.cyprus.gov.cy/portal/portal.nsf/dmlgovernment\\_en/dmlgovernment\\_en?OpenDocument](http://www.cyprus.gov.cy/portal/portal.nsf/dmlgovernment_en/dmlgovernment_en?OpenDocument)
- ❖ <https://www.cia.gov/library/publications/the-world-factbook/fields/2145.html>
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