



EUROPEAN PARLIAMENT

DIRECTORATE-GENERAL FOR RESEARCH
DIRECTORATE A
DIVISION FOR INTERNATIONAL AND CONSTITUTIONAL AFFAIRS

FACTSHEET

CYPRUS

Chapter 5 - Company Law

1. The *acquis* ¹

The *acquis* in this chapter covers company law in the strict sense, as well as the regulation replacing the Brussels Convention on jurisdiction and the enforcement of judgements in civil and commercial matters and the Rome Convention on the law applicable to contractual obligations.

The main issues are :

- the protection of industrial property rights for pharmaceutical products within an enlarged Union;
- enforcement of industrial property rights, in particular in the fight against piracy and counterfeiting;
- Community trademark (CTM), for which the Union has proposed an automatic extension of the existing CTM to the territory of the candidate countries.

2. The negotiations

The chapter has been closed with ten countries and provisionally closed with Bulgaria and Romania.

Chapter opened December 1998

Status Closed December 2002 (Provisionally closed in June 2001)

Transitional arrangements:

- Cyprus has accepted the EU's proposal on pharmaceutical products and Community Trademark

¹ Information largely drawn from the European Commission, DG Enlargement
<http://www.europa.eu.int/comm/enlargement/negotiations/chapters/index.htm>

4. Latest Assessment by the European Commission ¹

In its Regular Report of 1998, the Commission concluded that the Cypriot company law of 1951 had been amended several times with a view to aligning with the *acquis*, but that further approximation was needed on a number of aspects. Important progress had been made in recent years, in particular, on industrial property rights.

Since 1998, Cyprus has made steady progress in terms of legislative harmonisation under this chapter. Transposition in the field of industrial and intellectual property rights is continuing at a steady pace. As regards Cyprus' company law as such, the alignment with the *acquis* is at an advanced stage, even though some discrepancies still remain. Cyprus has reached an adequate administrative capacity to implement the *acquis* in this field.

Negotiations on this chapter have been provisionally closed. Cyprus has not requested any transitional arrangements in this area. It has agreed to the EU proposal related to industrial property rights for pharmaceutical products and Community Trademark. Cyprus is generally meeting the commitments it made in the accession negotiations in this field.

In order to complete preparations for membership, Cyprus' efforts now need to focus on ensuring full alignment with the *acquis* along the lines set out above. In particular, further legislative measures are needed to comply with the Directive on Copyright in the Information Society and the Directive on Resale Rights. Also the enforcement of intellectual and industrial property rights legislation and the fight against piracy and counterfeiting must continue to be a priority. In this respect, the work of the administrative and judicial bodies involved in enforcement, such as the customs services, the police and the judiciary, must be strengthened, as must the co-ordination among them.

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¹ European Commission, Regular Report on Cyprus 2002, p. 62:
http://www.europa.eu.int/comm/enlargement/report2002/cy_en.pdf