



REPUBLIC OF CYPRUS

## High Tech Enterprise Certificate (HTE)

Practical Guide

November 2021

Deputy Ministry of Research, Innovation & Digital Policy

## 1. Introduction

The Deputy Ministry of Research, Innovation and Digital Policy is crafting a holistic approach to nurture technology and innovation and foster the development of an efficient, transformational ecosystem and a new growth pillar, in which producing knowledge is the main element towards building technical and economic capacity.

To this end, conducive institutional and regulatory framework conditions, effective interactions between the main stakeholders of the ecosystem, well-designed and targeted government programmes and incentives to set up and expand R&I activity, and a strong entrepreneurial culture are being prepared to facilitate the establishment and growth of High Technology companies.

A business-friendly environment will support the attraction of investments in High Technology companies, to set up private or public-private funds channelled towards research and innovation activity, or to attract foreign multinational companies (MNC) to set up offices and R&I departments in Cyprus, creating a multiple, spill over effect over the Cyprus innovation ecosystem and economy.

In 2020, the Council of Ministers has approved the establishment of a Fast-Track Business Activation Mechanism for setting up a company in Cyprus by third country and European nationals in a bid to attract foreign investment to the island or for an already-established in Cyprus companies that wishes to hire third country nationals. Among the companies that are being prioritized to get access to this mechanism, are High Tech companies which need to obtain a High-Technology Enterprise certificate that the Deputy Ministry of Research, Innovation and Digital Policy has prepared.

The Fast-Track Business Activation Mechanism, which operates under the responsibility of the Ministry of Energy, Commerce and Industry, includes the following facilities:

- setting up a business,
- providing information for licensing, installation and operation of companies in Cyprus.
- Assisting in the issuance of residence and employment permits for third country nationals in Cyprus.

The benefits of the Companies which secure a High-Technology Enterprise certificate and fall under the provisions of the Revised Policy for temporary Residence and Employment Permits to third country nationals employed in companies of foreign interests operating in Cyprus:

1. There are no restrictions on the maximum duration of stay of third country nationals under this category of stay in the Republic (Directors, Key Personnel, Specialists).
2. It is not required to secure a contract from the Department of Labor for third-country nationals belonging to the Senior Management and Inter-managerial level or the Specialized Personnel.

3. There is direct access to the family reunification of foreigners employed with their families (spouse and minor children), provided that the relevant conditions of the Law on Foreigners and Immigration, Chapter 105 as amended are met.
4. It is allowed to issue a temporary residence and employment permit to their Senior Managerial, Inter-managerial and Specialized personnel who entered the Republic with a tourist visa, i.e., without the prior security of entry from the TAPM (this is not part of the existing Ministerial policy, but an administrative practice followed for the convenience of companies).

## **2. Definition of a High-Technology Enterprise (HTE)**

An enterprise qualifies as 'High Technology Enterprise' if:

- (a) it is already established and has a presence in the market, and
- (b) it has a high level or experimental R&D intensity, and
- (c) it developed product/s that fall into one of the following categories: products related to aviation and space industry, computers, electronic and telecommunication products, pharmaceuticals, biomedical, research and development equipment, electrical machinery, chemicals, non-electrical machinery.

## **3. Process for obtaining certification for High Tech Enterprise**

To acquire a certificate as a High-Tech Enterprise (THE), the company must submit an application (**Annex 1**) to the Deputy Ministry of Research, Innovation and Digital Policy via email ([epoulli@dmrid.gov.cy](mailto:epoulli@dmrid.gov.cy)).

### Approval or Rejection of an application

The Deputy Ministry of Research, Innovation and Digital Policy approves or rejects the classification of the business as High Technology Enterprise (HTE) within one month of receiving a completed application.

The Deputy Ministry reserves the right to ask the legal representative of the company to provide further clarifications / information / explanations about the company.

## **4. Renewal Process of the 'High Technology Certificate'**

The 'High Technology Certificate' is valid for a period of 3 years.

In order to renew the High Technology Enterprise Certificate, the company needs to re-submit an application upon the completion of the three-year period.

The Deputy Ministry of Research, Innovation and Digital Policy will also maintain a Registry of all relevant enterprises.

**For more information, please contact:**

**Ms. Elena Poulli, Scientific Officer A'**  
**Deputy Ministry of Research, Innovation and Digital Policy**  
**Email: [epoulli@dmrid.gov.cy](mailto:epoulli@dmrid.gov.cy)**  
**Tel.: 22 691921**