



Launch Your Business in Cyprus: A Practical Roadmap



Cyprus is a long-standing entry point to the EU for globally minded founders. The island combines a mature professional-services market, business-friendly culture, and company law aligned with accepted international practice. Below is a step-by-step guide which explains the key legal, regulatory, and operational actions to launch your business with confidence.

1. **Define Your Business Model & Legal Form**

Start with a clear statement of your value proposition, target customers, and financial assumptions. Draft a business and marketing plan, and funding approach. Choose an appropriate legal structure (usually private limited liability company or partnership), based on the roles of founders, investors, and other stakeholders. Good planning at the start will smooth the next steps with regulators, banks and others.

2. **Engage a Cyprus Lawyer Early**

Only lawyers licensed by the Cyprus Bar Association can draft and sign the Memorandum & Articles of Association and the HE1 declaration. Your lawyer will align the constitutional documents with shareholder rights, governance terms, and any investor protections, and can coordinate filings, due diligence, and bank account opening.

3. **Reserve and Approve the Company Name**

Next apply to the Registrar of Companies and Official Receiver (RCOR) for name approval. If timing is critical, ask about “shelf names” (pre-cleared names kept on standby). You can brand publicly later while still moving formation forward now.

4. **Assemble the Incorporation Pack**

Your lawyer will compile and submit statutory forms and supporting documents to the RCOR. You need to decide and prepare following:

- **Business profile:** Brief description of company objects (unless using a standard-form Memorandum & Articles).
- **Share capital:** Nominal amount and split (no statutory minimum for private companies).
- **Officers & address:** Names, home addresses, and passport details of proposed directors/secretary, plus the Cyprus registered office.
- **Beneficial owners (BOs):** Certified passports, evidence of good standing, and a transparent ownership chain to the natural BOs.
- **KYC/AML:** Documentation required under Cyprus AML rules and Cyprus Bar Association guidelines.
- **Standard forms:** **HE1** (statutory declaration), **HE2** (registered office), **HE3** (directors/secretary), and the **original Memorandum & Articles**, signed by subscribers (signatures witnessed) and the drafting lawyer. Your law firm or provider will typically also support corporate bank account opening and the bank’s separate due diligence.

5. **Incorporation & Core Certificates**

Once the Registrar accepts your application and fees are paid, the company is formed and issued a **Certificate of Incorporation** and certified **Memorandum & Articles**. From that moment, the company has separate legal personality and can register for taxes, and can enter contracts, hire staff, and trade.

6. **Tax, VAT & VIES Registration**

Register with the **Tax Department** to obtain a **Tax Identification Number (TIN)**; **VAT** (mandatory once taxable turnover exceeds **€15,600** in any rolling 12 months or voluntary registration is possible earlier) and **VIES** (if you will supply goods or services cross-border within the EU, register for VIES to handle intra-EU VAT reporting. We suggest you build VAT and corporate-tax compliance into your systems from day one and remember quarterly VAT returns are required.

7. **Employer Onboarding & Social Insurance**

If hiring, register the company as an employer with the **Social Insurance Services**. Employers contribute to several social funds and pay monthly in arrears (within one month after each contribution month). File online via the Point of Single Contact portal or submit at a District Social Insurance Office/Citizens Service Centre with your incorporation certificates and officer details.

8. **Corporate Banking**

After formation, open a corporate bank account so you can invoice and pay suppliers promptly. Be ready for robust KYC/AML: provide a clear business narrative, ownership structure, source of funds, and expected transaction flows. A tidy, professional pack (business plan, certificates, draft contracts/LOIs) accelerates approval.

9. **Business Premises & Local Licensing**

“Business premises” cover any space used for economic activity. Depending on use, you may need a municipal or community license, often tied to a building permit, certificate of approval, and/or title documentation. Authorities can inspect on-site before licensing and periodically thereafter.

10. Intellectual Property & Digital Setup

Protect your brand and build your online presence early.

- **Trademarks:** Check registrability, run searches, and file to secure rights in Cyprus (and, where relevant, EU/international).
- **Domain name:** Consider a “.com.cy” domain to signal a Cyprus footprint; register after finalizing your brand.
- **E-commerce compliance:** Online traders must meet Cyprus’ Electronic Commerce Law (aligned with the EU E-Commerce Directive). Ensure T&Cs, withdrawal rights, delivery terms, and disclosures follow Consumer Protection Service guidance.

11. Sector Licenses & Trade Controls

Some activities in fields of health, safety, or financial integrity, are regulated, need special licenses and are closely supervised. While most intra-EU trade free with no tariffs and barriers, trade with non-EU countries may require specific licenses and involve customs and VAT issues.

12. Advisory Team & Governance

Beyond legal counsel, line up **certified accountants and auditors** for bookkeeping, financial statements, and audit. Where relevant, engage **registered administrative service providers (ASPs)** for company secretarial and compliance support. Strong governance with clear shareholder agreements, documented board procedures, and rigorous record-keeping will reduce friction with banks, investors, and regulators.

***Conclusion:** Cyprus offers a clear, founder-friendly route to set up and scale an EU-based business, provided you respect the formalities, document beneficial ownership and funding sources, and embed tax/VAT compliance from day one. With an experienced local lawyer and accountant, most international founders can move from concept to trading quickly and confidently.*