

Brussels, 4 July 2025 (OR. en)

11286/25

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# **COVER NOTE**

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	1 July 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2025) 355 final
Subject:	REPORT FROM THE COMMISSION TO THE COUNCIL Twenty-First report on the implementation of Council Regulation (EC) No 866/2004 of 29 April 2004 and the situation resulting from its application covering the period 1 January until 31 December 2024

Delegations will find attached document COM(2025) 355 final.

Encl.: COM(2025) 355 final

11286/25 RELEX.4 **EN** 



Brussels, 1.7.2025 COM(2025) 355 final

# REPORT FROM THE COMMISSION TO THE COUNCIL

Twenty-First report on the implementation of Council Regulation (EC) No 866/2004 of 29 April 2004 and the situation resulting from its application covering the period 1 January until 31 December 2024

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Council Regulation (EC) No 866/2004 on a regime under Article 2 of Protocol No 10 to the Act of Accession<sup>1</sup> ( the "Green Line Regulation") entered into force on 1 May 2004. It defines the terms under which provisions of EU law apply to the movement of persons, goods and services across the line between the areas of the Republic of Cyprus (RoC) in which the RoC government does not exercise effective control and the areas in which it does. In order to ensure the effectiveness of these rules, their application has been extended to the boundary between the areas of the RoC in which the RoC government does not exercise effective control and the UK Eastern Sovereign Base Area (ESBA)<sup>2</sup>.

This report covers the period 1 January to 31 December 2024.

In 2024, the Commission maintained a constructive dialogue with the relevant authorities of the Republic of Cyprus and the Sovereign Base Area (SBA) Administration on the implementation of the Regulation, and with the Turkish Cypriot Chamber of Commerce.

#### 1. CROSSING OF PERSONS

## 1.1. Crossing at authorised crossing points

The Regulation provides a legal framework for the crossings of Cypriots, other EU citizens and third country nationals who cross the Green Line ("the Line") at authorised crossing points. In 2024 there was a decrease compared with the previous year in the number of crossings by Greek Cypriots and an increase in the number of crossings by Turkish Cypriots.

According to data from the RoC Police (hereinafter CYPOL), during the reporting period 1 346 121 crossings (previously 1 609 488) by Greek Cypriots and 822 443 crossings (previously 1 032 029) by Greek Cypriot vehicles were recorded from the areas of the RoC under the effective control of the RoC Government to the areas of the RoC not under the effective control of the RoC Government. In the same period, 1 814 647 crossings (previously 1 373 353) by Turkish Cypriots and 705 532 crossings (previously 532 206) by Turkish Cypriot vehicles were recorded from the areas of the RoC not under the effective control of the RoC Government to the Government controlled areas<sup>3</sup>.

The number of EU citizens (other than Cypriots) and third country nationals crossing the Line decreased. During the reporting period, 1 777 946 crossings (previously 1 851 465) by EU citizens (other than Cypriots) and by third country nationals took place in both directions.

The CYPOL figures mentioned above do not include data on persons and vehicles crossing from the northern part of Cyprus at the Pergamos and Strovilia crossing points, which are under the authority of the UK Eastern Sovereign Base Area. For these, the ESBA reported that 687 007 crossings (previously 825 095) by Greek Cypriots and 428 204 crossings (previously 440 158)

OJ L 161, 30.4.2004, p.128, as last amended by Council Regulation (EU) No 685/2013 of 15 July 2013 (OJ L 196, 19.7.2013, p. 1).

<sup>2</sup> See Protocol relating to the Sovereign Base Areas of the United Kingdom in Cyprus to the Agreement on the Withdrawal of the United Kingdom from the European Union.

The RoC authorities do not keep records concerning the return of Greek Cypriots to the government controlled areas or the return of Turkish Cypriots to the northern part of Cyprus.

by Greek Cypriot vehicles to the northern part of Cyprus were recorded. At the same time, 708 810 crossings (previously 606 734) by Turkish Cypriots and 378 270 crossings (previously 287 060) by Turkish Cypriot vehicles in the other direction were recorded. Moreover, 848 807 EU citizens (other than Cypriots) and third country nationals crossed the Line in both directions.

In 2024, the number of CYPOL personnel working at the crossing points increased to 107, compared with 99 in 2023.

The figures gathered by the Turkish Cypriot community in 2024 indicate a decrease in the number of crossings by Greek Cypriots to 2 767 805 (previously 3 055 999) and by Greek Cypriot vehicles to 1 579 058 (previously 1 673 721) from the government controlled areas to the northern part of Cyprus. They indicate an increase in the number of crossings by Turkish Cypriots to 2 933 833 (previously 2 452 876) and by Turkish Cypriot vehicles to 1 280 653 (previously 1 098 508) in the other direction. According to the statistics provided, 2 004 017 EU citizens (other than Cypriots) and third country nationals crossed from the government controlled areas to the northern part of Cyprus (previously 2 194 347) in 2024.

It was reported that high inflation in the Turkish Cypriot community discouraged Greek Cypriots from crossing the Green Line to undertake their personal shopping and encouraged Turkish Cypriots to cross the Line in the other direction.

Long queues continued to be reported at the Agios Dhometios crossing point. According to the RoC authorities, additional human resources were deployed with a view to facilitating crossing. An initiative to expand the crossing point in the buffer zone is underway.

Turkish Cypriot buses carrying EU citizens were not permitted by the RoC authorities to cross into the government controlled areas unless they had fully *acquis*-compliant documents issued by the RoC authorities. The RoC authorities have indicated that they have put in place dispositions to facilitate the process for Turkish Cypriots to obtain roadworthiness certificates, authorisations and professional driving licences; the licences are granted free of charge after submission of applications (translated into Turkish).

On 27 January 2024, President Christodoulides announced 14 Confidence Building Measures. Of particular relevance to the Green Line were permitting trade in a further six types of processed food of non-animal origin, widening the Agios Dhometios crossing point and increasing staffing at crossing points.

The United Nations Peacekeeping Force in Cyprus (UNFICYP) continued to facilitate the practice of religious worship across the Green Line by both communities<sup>4</sup>.

# 1.2. Irregular migration across the Green Line and asylum

CYPOL figures for 2024 indicated a decrease in the number of migrants who irregularly crossed the Line from the areas not under the effective control of the government of the Republic of Cyprus to the government controlled areas. In 2024, 3 319 irregular migrants crossed the Line in this way; the equivalent figures for 2023, 2022 and 2021 were 6 793, 16 627 and 9 812 respectively. The main countries of origin of irregular migrants were Syria (1 017), Afghanistan (425), Iran (368), Somalia (336) and Nigeria (255). Despite the positive trend, irregular migration through the Green Line remains an important concern requiring continued vigilance.

Out of the 3 319 irregular migrants, 93% (90% in 2023) applied for international protection in the Republic of Cyprus. The country of origin with the highest number of applicants was Syria.

CYPOL was able to identify persons by using the same criteria as in previous years, primarily through information included in their travel documents and statements by the migrants

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<sup>4</sup> Report of the UN Secretary-General on UNFICYP [S/2025/6] of 3 January 2025, paragraph 42.

concerned. According to this assessment, almost all the migrants apprehended in the government controlled areas after having irregularly crossed the Line had previously arrived in the northern part of Cyprus from Türkiye.

142 asylum seekers, including 35 children, were blocked in the buffer zone between May and November 2024. The Commission clarified that while the Green Line Regulation provides for checks on all persons crossing the Green Line, third country nationals should have access to mechanisms enabling them to apply for international protection should they so wish. The RoC authorities transferred the persons in question to a reception centre where their claims were processed.

The Turkish Cypriot community noted that efforts had continued in the northern part of Cyprus to prevent irregular migration. In 2024, 5 512 persons<sup>5</sup> were prevented from entering the non-government controlled areas of Cyprus, and 2 092 persons<sup>6</sup> who had been apprehended within the northern part of Cyprus were deported.

Representatives from the two communities met within a bi-communal Technical Committee on Crime and Criminal Matters under UN auspices, which served as a channel for the exchange of information on crime and police matters. As an extension to this committee, the two communities continued to use two 'Joint Contact Rooms' in Nicosia and Pyla, which provide a forum for the exchange of information on criminal matters<sup>7</sup>.

CYPOL described cooperation with other relevant Republic of Cyprus' governmental departments and the ESBA administration as very good.

### Eastern Sovereign Base Area (ESBA)

Irregular migration from the non government controlled areas of Cyprus via the ESBA increased in 2024. In 2024, 48 migrants were apprehended after having crossed the Line irregularly<sup>8</sup>. 4 394 persons were not allowed to cross, of whom the greatest number (951) were Russian citizens. In accordance with the relevant provisions of the Protocol relating to the Sovereign Base Areas of the United Kingdom in Cyprus to the Agreement on the Withdrawal of the United Kingdom from the European Union, the ESBA authorities refused to allow foreign nationals who arrived via the northern part of Cyprus to cross the Green Line<sup>9</sup>. These persons were directed to crossing points outside the ESBA to undergo checks as per the Republic of Cyprus' entry requirements.

Sovereign Base Area (SBA) officers described their cooperation with the Republic of Cyprus as very good.

Away from the crossing points, SBA police conducted risk-based, intelligence-led patrols to counter irregular migration. These patrols were supplemented with patrols by SBA customs and by military personnel.

Four 'unauthorised crossing points' in or near the village of Pergamos, which are used by local residents and farmers, are particularly difficult to control. As mentioned in previous reports, these 'unauthorised crossing points' remain an area of concern and a suitable solution in line with Article 7 of the Protocol relating to the Sovereign Base Areas of the United Kingdom in Cyprus should be found. During the reporting period, the SBA authorities conducted

Nationals by country: Iran: 760; Pakistan: 580; Türkiye: 504; Iraq: 441; Turkmenistan: 336; other: 2 891.

Nationals by country: Nigeria: 526; Syria: 458; Türkiye: 370; Bangladesh: 116; Pakistan: 107; other: 515.

Report of the UN Secretary-General on UNFICYP [S/2025/6] of 3 January 2025, paragraph 29.

<sup>8</sup> Out of the 48 irregular migrants intercepted within the ESBA, 47 applied for asylum and were handed over to the RoC authorities.

Third country nationals (other than UK citizens) are permitted to cross only if they are engaged in a defence-related activity or are family members of a person who is engaged in such activity.

spontaneous checks on persons using roads linking to these crossing points.

#### 2. CROSSING OF GOODS

#### 2.1. Value of trade

Under Article 4 of the Green Line Regulation, goods may be introduced from non-government controlled areas into government controlled areas, provided that they meet the criteria set out in that Article<sup>10</sup> and are accompanied by a document issued by the Turkish Cypriot Chamber of Commerce. Pursuant to Article 8 of Commission Regulation (EC) No 1480/2004<sup>11</sup>, the Turkish Cypriot Chamber of Commerce and the RoC authorities reported on a monthly basis on the type, volume and value of goods for which accompanying documents had been issued.

According to statistics provided by the Republic of Cyprus, the total trade value of goods with accompanying documents that actually crossed the Line decreased by 5% in 2024 to EUR 15 238 221 (previously EUR 16 046 304).

According to statistics provided by the Turkish Cypriot Chamber of Commerce, the total value of goods for which accompanying documents had been issued amounted to EUR 18 222 590 (previously EUR 17 644 400). Compared with 2023, this is an increase of 3.3% in the overall value of goods for which accompanying documents had been issued.

Trade from the government controlled areas to the northern part of Cyprus increased by around 1.5%, from EUR 1 294 718 in 2023 to EUR 1 314 705 in 2024, according to figures from the Cyprus Chamber of Commerce and Industry. Trade from the government controlled areas to the northern part of Cyprus represented 8.6% of the trade in the opposite direction (8.1% in 2023).

The Turkish Cypriot community continued to apply a trade system that 'mirrors' the restrictions of the Green Line Regulation. Turkish Cypriot stakeholders identified the protection of local businesses from competition as the main reason for this. Moreover, goods can only be traded from the government controlled areas to the northern part of Cyprus once an 'import permit' has been issued. However, this trade system is not always consistently applied. Moreover, 'Value Added Tax' was imposed on goods entering from the government controlled areas on which VAT had already been levied in the government controlled areas.

## 2.2. Type of goods

In 2024, the nature of traded products remained generally stable. Building and construction materials remained the most traded item, followed by furniture, plastics, scrap and waste<sup>12</sup>. There was a substantial increase in the trade of fruit and vegetables, except potatoes.

New products were introduced, such as plastic packaging for bread, halva, cut roses, air ducts, machine parts and new varieties of mandarins and oranges.

## 2.3. Irregularities

The Republic of Cyprus brought to the Commission's attention two cases of irregularity that occurred during the reporting period.

On 15 April 2024 the RoC notified the Commission of the detection of excessive levels of the

Paragraph 1 of Article 4 sets out that the goods need to be wholly obtained in the areas not under effective control of the Government of the RoC or have undergone their last, substantial, economically justified processing or working in an undertaking equipped for that purpose in the areas not under the effective control of the Government of the RoC.

<sup>11</sup> Commission Regulation (EC) No 1480/2004 of 10 August 2004 (OJ L 272, 20.8.2004, p. 3).

<sup>12</sup> Annex, Table IV.

pesticide buprofezin in a consignment of mandora fruit. On 29 May 2024 the RoC notified the Commission of the detection of excessive levels of buprofezin in a consignment of oranges. In both cases, the Commission brought the matter to the attention of the Turkish Cypriot Chamber of Commerce and asked that the Chamber remind the producer concerned to take all necessary measures to ensure full compliance with the relevant EU food safety standards.

## 2.4. Obstacles and difficulties concerning the movement of goods

Obstacles to trade across the Line continued which form a reason for the current limited level of trade. During the reporting period Green Line trade decreased slightly mainly due to restrictions faced by economic operators in the construction products sector. The RoC Ministry of Interior reinforced its market surveillance activities; limited staff capacity, however, led to some delays. The Commission is working with the RoC to support the facilitation of Green Line trade. This forms part of the Commission's ongoing efforts to help Green Line trade reach its full potential.

As mentioned in previous reports<sup>13</sup>, the issue of Turkish Cypriot commercial vehicles crossing to the government controlled areas is yet to be solved; to date, Turkish Cypriot commercial vehicles that weigh more than 7.5 tonnes can cross the Line only provided they have fully *acquis*-compliant documents issued by the Republic of Cyprus. The RoC authorities have informed the Commission that they have put in place measures to facilitate the process for Turkish Cypriots to fulfil some requirements, such as obtaining roadworthiness certificates, authorisations and professional driving licences. A solution to the issue would significantly contribute to increasing the level of trade as it would ease the transport of goods. It would also strengthen contact between Cypriot economic operators thus contributing in an important manner to enhancing trust between both communities. The Commission will continue to engage with the authorities of the RoC and with the Turkish Cypriot community with a view to identifying a solution to this issue.

During the reporting period, further progress was made concerning the crossing of the Line of processed food products of non-animal origin. On 3 April 2024, the RoC Ministry of Health issued a circular permitting trade across the Green Line in six further categories of processed food, namely coffee, lemonade, frozen vegetables, frozen potatoes, foods pickled in vinegar and dried jute leaves, provided that these goods complied with the relevant *acquis*. The Commission welcomes this progress and will continue its dialogue with the RoC authorities on enabling trade in other types of processed food of non-animal origin.

As in previous years, Turkish Cypriot traders have continued to report difficulties in having their products stocked in shops and in advertising their products and services in the government controlled areas, which hinder trade. In addition, it was mentioned that traders from both communities are faced with several administrative problems when wishing to enter into business with the other community. Individual Turkish Cypriots continued to report difficulties when trying to open accounts with commercial banks. Moreover, Turkish Cypriot businesses were unable to open bank accounts in the government-controlled areas. The Commission will continue to engage with the authorities of the RoC and relevant stakeholders with a view to achieving a solution to this issue.

The inability to transfer funds between banks in the government-controlled areas and banks in the areas not under the effective control of the RoC government continued to hamper Green Line trade. In 2023, the Central Bank of Cyprus issued a circular letter to all credit institutions clarifying that Turkish Cypriots possessing RoC passports or identity cards are entitled to open a payment account with basic features provided that all other due diligence requirements for

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See for instance the ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, nineteenth and twentieth annual reports on the implementation of Council Regulation (EC) No 866/2004 and the situation resulting from its application.

customer identification are satisfied. A very limited number of Turkish Cypriots have subsequently been able to open such accounts. The Commission engaged with the RoC authorities and other stakeholders on this issue.

# 2.5. Smuggling of goods

Smuggling of goods persisted, reflecting the difficulty of controlling irregular movements across the Line.

In 2024, the Republic of Cyprus made 3 170 seizures of smuggled goods (previously 4 212), a decrease of 25%. Compared with previous years, there was a decrease in smuggling of animal and dairy products and an increase in smuggling of other agricultural products. There was a decrease in the quantity of cigarettes and hand-rolling tobacco seized by the RoC at the Green Line: 727 362 cigarettes and 235 989 g of hand-rolling tobacco (previously 890 500 cigarettes and 324 596 g). In addition, 278 797 electronic cigarette cartridges and 171 553 g of narghile tobacco were also seized. Smuggling of alcohol decreased while smuggling of goods violating intellectual property rights increased. Other items seized included cars, fuel, medicines and pesticides. 33 prosecutions for smuggling were brought in the District Court. Cases of smuggling of small quantities of cigarettes were usually dealt with through the imposition of an administrative penalty and forfeiture.

In 2024, the ESBA authorities recorded an increase in the number of seizures of smuggled goods within the ESBA; there were 997 seizures compared to 962 in 2023.

As regards the traditional supply of the Turkish Cypriot population of the village of Pyla, located in the buffer zone (Article 4(10) of the Green Line Regulation), the quantities of construction materials, fish, cigarettes etc. were monitored and recorded by the ESBA administration.

#### 2.6. Facilitation of trade

The Commission continued to seek ways of enhancing trade across the Line.

During the reporting period, the Commission continued discussions with the RoC authorities. The Commission also held discussions with the Turkish Cypriot Chamber of Commerce concerning Green Line trade.

The Commission continued to provide technical and project assistance to Turkish Cypriot farmers and dairies with a view to enabling them to comply with the requirements for registering Halloumi/Hellim produced in the northern part of Cyprus as a Protected Designation of Origin (PDO). Bureau Veritas, which was appointed in September 2021 as the delegated body responsible for the conduct of PDO checks throughout the island, continued its inspection work. During the reporting period, Bureau Veritas certified one further Turkish Cypriot Halloumi/Hellim producer as compliant with PDO standards, bringing the total number of certified producers to four. The Commission informal Working Group on Halloumi/Hellim met May 2024. Minutes of the Working Group 15 are published https://commission.europa.eu/about-european-commission/departments-and-executiveagencies/structural-reform-support/green-line-regulation en.

During 2024, the Commission continued to deploy EU Member State experts through the TAIEX instrument to provide support for trade across the Green Line, according to the mandate set out in the Green Line Regulation. TAIEX experts were involved in carrying out regular phytosanitary inspections of fruit and vegetables (notably potatoes), taking honey samples for analysis and producing a regularly updated list of fishing vessels whose catch can be traded across the Green Line.

Working in cooperation with the Cyprus Chamber of Commerce and Industry and the Turkish

Cypriot Chamber of Commerce, the EU One Stop Shop provided information and technical assistance to businesses and individuals who are interested in trading across the Green Line, and raised awareness of Green Line trade and organising events and networking opportunities for producers and traders.

Some Turkish Cypriot consignors of fresh fish continued to report difficulties with meeting the deadlines set for veterinary inspections of fresh fish at the Agios Dhometios crossing point. The RoC expressed significant concerns at the nature of some consignments of fresh fish. The Commission is looking into these concerns.

The Commission encourages economic operators to take advantage of business opportunities and welcomes the efforts undertaken by the Cyprus Chamber of Commerce and Industry and the Turkish Cypriot Chamber of Commerce.

# 2.7. Union goods taken back to the areas under the effective control of the Government of the Republic of Cyprus after passing through the areas which are not under its effective control

The RoC authorities reported that 1 163 items were taken back to the government controlled areas after having passed through the non-government controlled areas.

#### 3. CONCLUSIONS

In 2024 there was a decrease in crossings by Greek Cypriots and of EU nationals (other than Cypriots) and third country nationals, and an increase in crossings by Turkish Cypriots.

The number of persons irregularly crossing the Line decreased substantially in 2024, continuing the downward trend of recent years. Nevertheless, irregular migration through the Line still calls for close vigilance, with the need to allocate adequate and sufficient resources to carry out checks on persons and surveillance activities along the Line.

In 2024, the value of trade across the Line decreased by 5% falling from EUR 16 046 304 in 2023 to EUR 15 238 221 in 2024. The value of goods for which accompanying documents were issued increased by 3.3% from EUR 17 644 400 to EUR 18 222 590. Building and construction materials remained the most traded item, followed by furniture, plastics, scrap and waste.

The Cyprus Chamber of Commerce and Industry and the Turkish Cypriot Chamber of Commerce continued to cooperate with a view to bringing economic benefits to both communities.

The RoC continued to authorise the crossing of the Green Line by Turkish Cypriot commercial vehicles weighing more than 7.5 tonnes if they are *acquis*-compliant. The RoC authorities noted that they have put in place dispositions to facilitate the process for Turkish Cypriots to obtain roadworthiness certificates, authorisations and professional driving licences. The Commission will continue to engage with the RoC authorities with a view to identifying a solution to this issue.

During the reporting period, the RoC authorities allowed a further six types of processed food of non-animal origin to be traded across the Green Line. The Commission welcomes this development and will continue its dialogue with the RoC with a view to enabling all types of processed foods of non-animal origin to be traded across the Green Line.

Overall, the Commission is of the opinion that trade across the Green Line could increase further. The Commission considers that removing the obstacles to trade mentioned in this report would help to increase trade across the Green Line and welcomes positive developments towards this direction. The Commission hopes that the work of the two Chambers to enhance contacts

between the two business communities will lead to increased economic ties.

Against this background, the Commission continues to rely on the good cooperation with the Republic of Cyprus and the SBA to ensure effective implementation of Council Regulation (EC) No 866/2004. The Commission will continue to monitor the implementation of the Regulation.