

REPUBLIC OF CYPRUS

NO 42 of 1980

THE CYPRUS LAND DEVELOPMENT CORPORATION LAW, 1980

(English translation prepared by the Service for the Revision and Consolidation
of the Cyprus Legislation and issued by the Ministry of Justice)

NICOSIA

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No. 42 of 1980

A LAW TO PROVIDE FOR THE ESTABLISHMENT OF A CORPORATE BODY TO BE CALLED "THE CYPRUS LAND DEVELOPMENT CORPORATION" AND FOR THE EXERCISE AND PERFORMANCE THEREBY OF FUNCTIONS RELATING TO THE ACQUIRING, IMPROVING AND DISPOSING OF LAND AND STRUCTURES RELATED TO HOUSING; TOWN AND COUNTRY PLANNING; AND THE BETTER UTILIZATION OF PROPERTY IN THE PUBLIC BENEFIT AND FOR MATTERS CONNECTED THEREWITH

(18th July, 1980)

The House of Representatives enacts as follows"

Short title

1. This Law may be cited as the Cyprus Land Development Corporation Law, 1980.

PART I - INTERPRETATION

Interpretation

2. In this Law, unless the context otherwise requires.

"Board" means the Board of Directors appointed under section 5;

"Corporation" means the Cyprus Land Development Corporation established under section 4;

"General Manager" means the General Manager appointed under section 10;

"immovable property" means -

- (a) land;
- (b) buildings and other erections, structures or fixtures affixed to any land or to any building or other erection or structure;
- (c) trees, vines, and any other thing whatsoever planted or growing upon any land and any produce thereof before severance;
- (d) springs, wells, water and water rights whether held together with, or independently of, any land;
- (e) privileges, liberties, easements and any other rights and advantages whatsoever appertaining or reputed to appertain to any land or any building or other erection or structure;
- (f) an undivided share in any property hereinbefore set out;

"Minister" means the Minister of the Interior;

"person of moderate or lower means" means any person defined as such by an order of the Council of Ministers published in the official Gazette of the Republic;

"property" means movable and immovable property.

Functions of the Corporation may be exercised by employees.

3. Where powers are conferred or duties imposed by or under this Law on the Corporation, such powers or duties may be exercised or performed by or through any employee or agent of the Corporation authorised in that behalf by the Corporation.

PART II - ESTABLISHMENT AND CONSTITUTION OF THE CYPRUS LAND DEVELOPMENT CORPORATION

Establishment and incorporation of Cyprus Land Development Corporation.

4.-(1) There is hereby established a body to be called "the Cyprus Land Development Corporation" which shall be a body corporate with power to acquire, hold and dispose of property, to enter into contracts, to sue and to be sued in its said name and to do all things necessary for the purposes of this Law:

Provided that, during the subsistence of a guarantee given under section 22, the Corporation shall not alienate, mortgage, charge or demise any of its immovable property except with the previous general or special approval of the Council of Ministers and subject to such terms and conditions as may be imposed by such approval.

Board of Directors

5.-(1) The Council of Ministers shall appoint a Board of Directors consisting of seven members:

Provided that no person whose activities or interests are connected with the development or management of immovable property may be appointed as a member of the Board of Directors if the Council of Ministers is of the opinion that, taking into consideration the nature, degree and extent of such activity or interests, it would not be expedient to appoint such person.

(2) The Council of Ministers, in appointing the members of the Board shall designate, from among them a Chairman and a Vice-Chairman thereof.

(3) Members of the Board shall hold office for three years, provided that any member may be removed from office at any time by the Council of Ministers, after which a new member shall be appointed for the unexpired period of office of the member so removed.

(4) The Council of Ministers may at any time accept the resignation of any member of the Board, after which a new member shall be appointed for the unexpired period of office of the member who resigned.

(5) Upon the death of any member of the Board, a new member shall be appointed for the unexpired period of office of the member who died.

(6) No act or proceeding of the Board shall be deemed to be void by reason of any vacancy in the Board.

(7) There shall be paid to the appointed members of the Board, out of the funds of the Corporation, such remuneration and such allowances for expenses, as the Council of Ministers may determine.

Temporary
Appointments

6.-(1) In case of incapacity from illness or any other temporary cause or of temporary absence of the Chairman, the Vice-Chairman shall act as Chairman during the time such incapacity or absence continues, and shall exercise and perform all the functions of the Chairman.

(2) In case of incapacity from illness or any other temporary absence of the Vice-Chairman or any other member of the Board, the Council of Ministers may appoint some other person to act as Vice-Chairman or member during the time such incapacity or absence continues and such person shall, while the appointment subsists, exercise and perform all the functions of the Vice-Chairman or such member.

Meetings of
the Board

7.-(1) The Chairman or, in his absence, the Vice-Chairman shall summon meetings of the members of the Board as often as may be necessary and shall summon a meeting, if requested so to do by a notice in writing signed by at least two members, within three days of the receipt of the notice and such meeting shall be held within ten days of the receipt of the notice.

(2) If the Chairman or the Vice-Chairman, as the case may be, shall fail to summon a meeting as in the preceding subsection mentioned, any two members may summon the Chairman, Vice-Chairman and members to a meeting by notice in writing signed by them.

(3) The quorum necessary for the transaction of any business shall be three members present in addition to the Chairman of the meeting.

(4) The Chairman or, in his absence, the Vice-Chairman shall be the chairman of such meetings. In the absence of the Chairman and Vice-Chairman, the members present may choose one of their number to be the chairman of the meeting.

(5) All matters or questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

Standing orders.

8. Subject to the provisions of this Law, the Board may make standing orders regulating its own procedure regarding the holding of meetings, the notice to be given of such meetings, the proceedings thereat, the keeping of minutes, and the opening, keeping, closing and audit of accounts.

Powers of the Minister in relation to the Corporation.

9.-(1) The Minister may give to the Corporation such directions of a general or specific character as to the performance by the Corporation of its functions as are requisite in the public interest and the Corporation shall give effect to any such directions.

(2) The Corporation shall furnish the Minister with such returns, accounts and other information with respect to the property and activities of the Corporation and shall afford him every facility for verifying such information in such manner and at such time as he may in each case require.

General Manager.

10.-(1) A General Manager of the Corporation shall, with the approval of the Council of Ministers, be appointed by the Board.

(2) The General Manager shall be the chief executive officer of the Corporation and shall be responsible for the execution of the policy of the Corporation and the administration of its day-to-day business subject to such directions as may from time to time be given to him by the Corporation.

Officers and employees of the Corporation.

11. The Board may appoint or engage such officers and employees of the Corporation as may be necessary for the purposes of this Law.

Delegation of powers to members of the Board.

12. The Board may delegate to any of its members the exercise of any of its functions or administrative powers under this Law subject to such terms and conditions as the Board may impose:

Provided that no delegation shall be made under this section in any case where the exercise of any such function or power may bring any member into conflict with any financial or other interest such member may have.

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Disclosure of financial interest in matters considered at meetings of the Board and withdrawal from such meetings.

13.-(1) Whenever any member of the Board has any direct or indirect interest in any contract or proposed contract or in any other matter whatsoever which is being considered at a meeting of the Board, such member shall forthwith declare such interest and withdraw from the meeting during the time the Board is considering or voting on such contract, proposed contract or other matter.

(2) For the purposes of this section, the expression "direct or indirect interest" includes, besides ownership by the member of the Board, ownership of immovable property by his spouse, children, parents or brothers and sisters as well as ownership by him or by his aforesaid relatives of shares or interests in a company or partnership or any other form of common or corporate ownership in which there is an interest or option for acquiring, by purchase or any other transaction, immovable property.

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Liability upon unauthorised disclosure of information.

14. Any member of the Board of Directors, officer or employee of the Corporation who without proper authority by the Corporation discloses to any person any information learned or acquired in connection with his association with the Corporation which results or may result in a loss to the Corporation, including excessive payment for any form of property or services, shall be liable for such loss to the Corporation.

Remuneration of officers and employees.

15. The Corporation may specify such remuneration for its officers and employees, as may be approved by the Council of Ministers.

PART III - EMPLOYEES OF THE CORPORATION

Power to make regulations relating to officers and employees.

16. The Corporation may, with the approval of the Council of Ministers, make regulations generally relating to the conditions of service of officers and employees of the Corporation and in particular, but without prejudice to the generality of the foregoing, may make regulations relating to:

- (a) the appointment, promotion, transfer, retirement, discipline, remuneration and leave of such officers and employees and the security to be given thereby;
- (b) the exercise of disciplinary control over, including dismissal or removal from office of such officers and employees and any recourse by them against dismissal or other disciplinary measures;
- (c) the grant of pensions, gratuities and other retiring allowances to such officers and employees and their dependants, and the grant of gratuities to the estates or dependants of deceased employees of the Corporation;
- (d) the establishment and maintenance of medical funds or provident funds and the contributions payable thereto and the benefits receivable therefrom.

PART IV - FUNCTIONS OF THE CORPORATION

General functions and powers.

- 17.-(1) The functions of the Corporation shall be:-
- (a) to acquire, hold, provide services to, and divide land for the purpose of providing sites for housing for persons of moderate or lower means, and plots for commercial, communal, public, religious, and other activities and services which in its opinion are absolutely necessary to serve the needs of such persons in the area concerned;

- (b) to construct, or provide for the construction of houses or other buildings and structures for sale, lease or other disposal to persons of moderate or lower means, or to commercial, communal, public, religious, or other organizations, firms, or persons, both public and private, which will, in its opinion provide activities or services absolutely necessary to serve the needs of persons of moderate or lower means in the area concerned.

Provided that the Corporation should exercise the function set forth in this paragraph only at such times and under such circumstances in which it determines that it is absolutely necessary to do so;

- (c) to promote generally the development of programs, projects and activities which will facilitate the provision of more and better housing for persons of moderate or lower means;
- (d) to control and operate the property of the Corporation in such manner as it may deem expedient, for the aforesaid functions.

(2) Exclusively for the purposes of carrying out and giving effect to its functions under subsection (1), the Corporation in addition to the general powers granted under section (4), may either in its own name or through any agent -

- (a) acquire, or contract to acquire, from any person, partnership, firm or corporation, including any governmental body or authority, by grant, purchase, compulsory acquisition (as provided by section 30) or otherwise, ownership, long-term lease or any other type of interest or title in or to property and to own, possess and hold the same;
- (b) subject to the provisions of the Streets and buildings legislation in force for the time being and the provisions of any other legislation referring to immovable property -

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- (i) design or provide for the design of plans for the division or subdivision of its immovable property into sites, streets, and any related spaces;
 - (ii) acquire, construct, reconstruct, restore, improve, alter or repair, or provide for the construction, improvement, alteration or repair of any type of structure or building on immovable property in which it has an interest;
 - (iii) arrange or contract with any governmental body or authority, or with any individual or corporate body, for the planning, replanning, opening, construction or grading of streets, alleys, or other areas related to traffic, transportation or other movement or circulation of persons and goods; for the construction and provision of water, sewer, electricity, telephone, refuse, and all other types of public utility services; for the construction and provision of schools and all types of public and private education, religious, charitable, health, recreation, postal and all other types of services for the public;
- (c) cooperate or collaborate with any corporations, firms, or persons, whether public or private, which are also engaged in facilitating the provision of housing and related services to persons of moderate or lower means including the payment of compensation for services rendered by the said corporations, firms or persons;
- (d) sell, lease, assign, transfer, exchange, alienate, mortgage, charge, or otherwise dispose of or encumber any property, or any interest or title in or to the same, including the granting of options to sell any rights of renewal to leases:

Provided that, during the subsistence of a guarantee given under section 22, the Corporation shall not alienate, mortgage, or otherwise charge or dispose of any of its immovable property, except with the previous general and special approval of the Council of Ministers and subject to such terms and conditions as may be imposed by such approval;

- (e) prepare, or cause to be prepared, plans, specifications, and estimates of cost for the construction, reconstruction, improvement, alteration or repair of immovable property, and to modify from time to time such plans, specifications and estimates, whether or not such activities are to be carried out by the Corporation or by others;
- (f) manage its property or, with the approval of the Minister, contract with any person, partnership, firm or corporation, including any governmental body or authority, for the management thereof;
- (g) provide advisory, consultative, training and educational services, technical assistance or advice to any person, partnership, firm or corporation, including any governmental body or authority, in order to carry out the purposes of this Law;
- (h) engage the services of consultants on a contract basis for rendering professional or technical assistance or advice;
- (i) do any and all things necessary or convenient for carrying out and giving effect to its functions and for the exercise of the duties and powers conferred and granted under this Law;
- (k) make regulations regulating the exercise of the functions and powers of the Corporation as they may be approved by the Council of Ministers:

Provided that Regulations made under this paragraph shall be laid before the House of Representatives. If within thirty days from such laying the House of Representatives does not by resolution amend or annul in whole or in part the Regulations so laid, they shall then soon after the expiry of the period hereinbefore mentioned, be published in the official Gazette of the Republic and, unless otherwise provided therein, they shall come into force as from such publication.

In the event of their amendment, in whole or in part, by the House of Representatives, they shall be published in the official Gazette of the Republic as so amended thereby and, unless otherwise provided therein, they shall come into force as from such publication.

Advisory
Committee.

- 18.--(1) The Board shall appoint an Advisory Committee to advise it on general policy, composed of not less than fifteen members.
- (2) The Board shall meet with the Advisory Committee to hear its views at least every six months, but the Board is not bound to reveal to the Advisory Committee any matters which it considers to be of a confidential nature or the disclosure of which may adversely affect the interests or operations of the Corporation.
- (3) The Board may provide such secretarial or other assistance to the Advisory Committee as it may think fit.
- (4) The Corporation may pay to the members of the Advisory Committee such compensation as the Corporation may, with the approval of the Minister, determine.

PART V - FINANCIAL PROVISIONS

Capital of the
Corporation.

- 19.--(1) The initial capital of the Corporation shall be five hundred thousand pounds which shall be paid by the Republic to the Corporation upon the establishment thereof under this Law.
- (2) Such capital may be increased by a decision of the Council of Ministers.

Power to
borrow

20. For the purpose of enabling the Corporation to perform its functions under this Law, the Corporation may, with the consent of the Council of Ministers according to any general authority given thereby, borrow money in such manner and subject to such conditions as the Council of Ministers may deem fit to impose and in particular, but without prejudice to the generality of the foregoing, may borrow money from the Republic.

Power to issue securities etc.

21.--(1) The Corporation may, for the purpose of raising money which it is authorised to borrow under section 20 issue stock, bonds, debentures or other securities (hereinafter in this Law referred to as "securities").

(2) Subject to the provisions of the Law, any securities issued by the Corporation shall be issued, transferred, dealt with and redeemed according to regulations made by the Corporation with the approval of the Council of Ministers.

Power to the Republic to guarantee loans.

22. The Republic may guarantee in such manner and upon such terms and conditions as it may think fit, the due and punctual payment by the Corporation of the principal of, and the interest on, any loan raised by the Corporation under sections 20 and 21.

Establishment of "Margin for a Reserve Fund".

23. The Corporation may include in the selling prices of its sites, houses or other property, a percentage sum which is over and above all of its direct and indirect expenses related to such site, house, or other property, which shall be known as the "margin for a reserve fund":

Provided that such percentage shall not, in each case, exceed 15% without the prior approval of the Council of Ministers.

Investment of reserve fund, etc.

24. Subject to regulations as may be made by the Council of Ministers, the Corporation may invest any funds held in reserve or sinking funds, or any monies not required for immediate use or disbursements as deposits in banks or other financial institutions, in public stocks, bonds, or other forms of securities or in any other form of investment.

Insurance and bonding.

25. The Corporation may procure insurance against loss or damage in connection with its property and other assets and operations in such amounts as it deems proper, including the bonding of officers and employees.

Reserve Fund.

26. Such sums as the Corporation may, out of its profits, think proper to set aside in every year will be paid into a fund, to be called the "Reserve Fund of the Corporation". The Council of Ministers, in consultation with the Minister of Finance, may decide that subject to the proviso to section 23, any surpluses to transferred to the Consolidated Fund of the Republic.

Accounts.

27.-(1) The Corporation shall cause proper books and accounts in respect of its operations to be kept and an annual statement of accounts to be prepared as if it were a commercial corporation.

(2) The accounts of the Corporation shall be audited annually by the Auditor General of the Republic who shall submit his report to the Board and a copy thereof to the Minister and the House of Representatives.

(3) As soon as the accounts of the Corporation have been audited, the Corporation shall furnish to the Council of Ministers for its approval a copy of the statement of accounts together with a copy of the Auditor General's report and shall thereafter publish the statement of accounts and report in such manner as the Council of Ministers may direct.

Annual report on the activities etc. of the Corporation.

28.-(1) The Corporation shall, as soon as practicable after the end of each financial year, cause to be made and transmitted to the Council of Ministers a report dealing generally with the activities of the Corporation during the preceding financial year, and containing information relating to the operations and policy of the Corporation.

(2) After the submission of the annual report of the Corporation to the Council of Ministers, a copy thereof shall be deposited at the House of Representatives for its information.

(3) If, in the opinion of the Council of Ministers, the report can be published without detriment to the interests of the Corporation or to the public interest; such report may be published by the Corporation after its submission to the Council of Ministers.

Exemption of the Corporation from taxation, duties, stamp duties etc.

29. The Corporation shall be exempt from the payment of -

- (a) any tax levied or collected on any income derived by the Corporation from its operations;
- (b) any stamp duty payable under any stamp duty law in force for the time being;
- (c) any tax, fee or duty payable under any

law in force for the time being on mechanical installations, vehicles, equipment and other assets of any nature whatsoever imported for the use by or on behalf of the Corporation and not intended for sale to the public;

- (d) any local authority tax, unless the Council of Ministers otherwise determines.

PART VI - COMPULSORY ACQUISITION

Compulsory
acquisition of
Immovable
Property.
15. of 1962.

30.-(1) The Corporation, being a public corporation, is an acquiring authority in accordance with paragraph (d) of the definition of "Acquiring authority" set out in subsection (1) of section 2 of the Compulsory Acquisition of Property Law and, subject to the following provisions of this section, it has the right to acquire compulsorily immovable property for the purposes of public benefit set out in paragraphs (d), (i) and (1) of sub-section (2) of section 3 of the aforesaid law.

(2) No compulsory acquisition of immovable property shall be made by the Corporation unless -

- (a) such compulsory acquisition is made exclusively for the purpose of housing persons of moderate or lower means;
- (b) the immovable property to be acquired is land without any buildings or other erections, structures or fixtures, of whatever nature, thereon, unless the prior consent of the Council of Ministers, for such acquisition is given;
- (c) the immovable property to be compulsorily acquired is situated in an area previously approved by the Council of Ministers.

(3) The Council of Ministers in considering the question of granting, or not, its approval for the said compulsory acquisition by the Corporation, under the proviso to paragraph (b) of subsection (3) of section 6 of the Compulsory Acquisition of Property Law, shall, inter alia, examine, and before granting its approval, be satisfied, that the prerequisites set out in subsection (2) exist and have been complied with:

Provided that the Council of Ministers, in considering the question of granting, or not, its approval of the compulsory acquisition of any immovable property proposed to be acquired by the Corporation as aforesaid, may, if it thinks expedient, not grant its approval upon being satisfied that such immovable property belongs to a person of moderate or lower means.

(4) All immovable property compulsorily acquired by the Corporation shall be exclusively used by the Corporation for the purpose of -

(a) providing sites for housing of individuals of moderate or lower means, including the disposal thereof, either after or before its development, to such individuals for their housing;

(b) providing commercial, communal, public, religious or other facilities or services incidental or supplementary to the housing of, or necessary for, the said individuals or their needs in the area concerned.

PART VII - RESTRICTIONS AND QUALIFICATIONS
ATTACHED TO IMMOVABLE PROPERTY ACQUIRED UNDER
THE LAW AND RELATIVE PROVISIONS.

31.-(1) Any immovable property transferred, under or for the purposes of this Law, by the Corporation to any person or body, corporate or incorporate, (hereinafter in this section referred to as "the Transferee") is acquired, and shall be deemed to be acquired, by the Transferee subject to the following restrictions and qualifications -

(a) For a period of five years from the date of the transfer of the immovable property to the Transferee, no sale, exchange or other disposition thereof can be made;

(b) for a period of five years from the date of the transfer of the immovable property to the Transferee, no mortgage or other charge of any nature can be made thereon except a mortgage made in favour of the Housing Finance Corporation for the purposes of the Housing Finance Corporation Law, 1980;

Immovable
property
transferred
is subject to
restrictions
and qualifications
etc.

(c) during the said period of five years, no transfer of the immovable property can be made save with the prior written consent of the Corporation deposited at the Land Registry Office at which the transfer will be made;

(d) where the immovable property is transferred by the Transferee to another person or body, no transfer thereof, or of any part thereof, shall be made to the Transferee during a period of fifteen years from the date the property had been originally transferred to the Transferee.

(2) For a period of five years from the date of the transfer of the immovable property to the transferee, no execution shall be issued in respect thereof under the provisions of the Civic Procedure Law by any of the means mentioned in section 14 thereof.

Cap. 6
11 of 1965.

(3) Upon a transfer of any immovable property by the Corporation to the transferee -

(a) the restrictions and qualifications mentioned in subsection (1) shall be recorded, opposite the relative registration thereof, in the Land Registry Books and also, where it is possible on the certificate of registration of such immovable property.

(b) no transfer thereof and no charge thereon shall be made by the Land Registry in contravention of any of the restrictions or qualifications mentioned in subsection (1).

(4) Notwithstanding the provisions of subsection (1), the transferee may during the period of five years from the date of the transfer of the immovable property to him, offer to sell the immovable property to the Corporation, and upon such offer the Corporation shall be bound to purchase it or else to grant its consent for the disposition thereof at the original price at which it had been acquired by the transferee, after adjustment of the said price according to the inflation or deflation which may in the meantime have taken place, and after deduction therefrom of any depreciation in the property which may have occurred since the time of its transfer to the transferee and with such interest thereon as the Corporation would determine.

PART VIII - LEGAL PROCEEDINGS

Actions against Corporation and persons connected therewith.

32.-(1) No action against the Corporation the Chairman of the Board or members thereof, the General Manager or any employee of the Corporation for any act done in pursuance of execution or intended execution of this Law, or of any public duty or authority, or in respect of any neglect or default in the application of such Law, duty or authority, shall lie or be instituted in any Court unless it is commenced within six months next after the act, neglect or default complained of or, in the case of a continuing damage or injury, within twelve months next after the ceasing thereof.

(2) No action shall be commenced in any Court against the Corporation until at least one month from the service of a notice of intention to commence the same upon the Corporation by the intending plaintiff or his agent; such notice shall clearly and explicitly state the cause of action, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief which he claims.

Service of notice etc.

33. The notice referred to in the last preceding section and any summons, notice or other document required or authorised to be served upon the Corporation under the provisions of this Law or any other Law may, unless in any particular case there is express provision to the contrary, be served by delivering the same to the Chairman of the Board or the General Manager of the Corporation, or by sending it by registered post addressed to the General Manager of the Corporation at the principal office of the Corporation.

Satisfaction of judgments against the Corporation.

34. In any action against the Corporation, no execution or attachment or process in the nature thereof shall be issued against the Corporation, but any sums of money which may, by the judgment of the court, be awarded against the Corporation shall, subject to any directions given by the court where notice of appeal has been given by the Corporation in respect of the said judgment, be paid by the Corporation from the funds of the Corporation.

Representation
of the
Corporation.

35.-(1) In any action the Corporation, if it so desires, may be represented in court at any stage of the proceeding by the General Manager or by any employee of the Corporation who shall satisfy the court that he is duly authorised in writing by the Corporation in that behalf.

(2) For the purpose of this Part "action" means a civil proceeding commenced by writ of summons or in such other manner as may be prescribed by rules of court, but does not include a criminal proceeding.