



**SUPPLEMENT No. 2**  
**TO**  
**THE SOVEREIGN BASE AREAS GAZETTE**  
**No. 1494 of 28th March 2008**  
**LEGISLATION**

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**CENTRAL BANK OF CYPRUS (RECOGNITION) ORDINANCE 2008**

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An Ordinance to recognise in the Sovereign Base Areas the Central Bank of Cyprus and to repeal and replace the Central Bank of Cyprus and Republican Currency (Recognition) Ordinance 1963

**R. H. LACEY**  
**ADMINISTRATOR**

*25th March 2008.*

**BE** it enacted by the Administrator of the Sovereign Base Areas of Akrotiri and Dhekelia as follows:—

**1. Short Title**

This Ordinance may be cited as the Central Bank of Cyprus (Recognition) Ordinance 2008.

**2. Interpretation**

(1) In this Ordinance –

“Bank” means the Central Bank of Cyprus established by the Republican Law;

“Republican Law” means the Central Bank of Cyprus Law 1963(**a**) as repealed and replaced by the Central Bank of Cyprus Law 2002(**b**) and includes any law amending or replacing it.

**3. Recognition of the Bank**

(1) The Bank has, subject to subsections (2) and (3), the same powers and duties in the Areas as those conferred or imposed on the Bank in the Republic under the Republican Law.

(2) The exercise of powers or performance of duties conferred by subsection (1) are limited as if –

(a) the powers had been conferred and the duties had been imposed on the Chief Officer, and

(b) the powers and duties had been designated as generally delegated functions for the purposes of the Delegation of Functions to the Republic Ordinance 2007(**c**).

- (3) Nothing in this section deprives the Bank of any defence to an action in the Areas on grounds of lack of jurisdiction or otherwise which would be available under any other Ordinance.

#### **4. Agents**

The Bank may appoint, and revoke the appointment of, agents or correspondents in the Areas.

#### **5. Exemption from income tax and stamp duty**

The Bank is exempt from:

- (a) the payment of tax on its income derived from profits realised by the Bank;
- (b) the payment of stamp duty.

#### **6. Companies Ordinance**

The Companies Ordinance 2007(d) does not apply to the Bank.

#### **7. Repeal**

The Ordinances listed in the Schedule, and all public instruments made under them, are repealed or, as the case may be, revoked.

#### **8. Commencement**

This Ordinance comes into force on the day it is published in the Gazette.

### **SCHEDULE**

(section 7)

1. The Central Bank of Cyprus and Republican Currency (Recognition) Ordinance 1963, Ordinance 28/63.
2. The Banking Business (Temporary Restrictions) Ordinance, Cap 124, Laws of Cyprus.
3. The Currency Ordinance, Cap 197, Laws of Cyprus.

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#### **Notes**

- (a) Law No. 48/63, Republic of Cyprus.
- (b) Law No. 138(I)/02, Republic of Cyprus.
- (c) Ordinance 17/07.
- (d) Ordinance 2/07.

## EXPLANATORY NOTE

**(This note does not form part of the Ordinance)**

### Introduction

1. This explanatory note relates to the Central Bank of Cyprus (Recognition) Ordinance 2008. It has been prepared by the Office of the Attorney General and Legal Adviser in order to assist the reader of the Ordinance. It does not form part of the Ordinance.

2. The note needs to be read in conjunction with the Ordinance. It is not, and is not meant to be, a comprehensive description of the Ordinance. When a section or part of a section does not seem to require any explanation or comment, none is given.

### Particular Points

3. The Ordinance reproduces the effect of the Central Bank of Cyprus and Republican Currency (Recognition) Ordinance 1963 in relation to the Central Bank while removing the provisions concerning currency. This is because the Euro Ordinance 2007 now provides that euro banknotes and coins are the legal tender of the Areas.

4. Section 3 provides for delegation of the powers and duties arising under the Republican laws concerning the Central Bank of Cyprus. In the first place, they are all conferred and imposed on the Chief Officer of the Areas and subsection (2)(b) then provides that the Delegation of Functions to the Republic Ordinance 2007 applies to these powers and duties. The Delegation of Functions to the Republic Ordinance 2007 provides for the effects and limits of delegations. For example, it covers such matters as the place where an officer of the Republic may carry out a delegated function and exempted property and entry rights.

5. Section 7 repeals the Central Bank of Cyprus and Republican Currency (Recognition) Ordinance 1963, the Banking Business (Temporary Restrictions) Ordinance and also the Currency Ordinance. Much of the Currency Ordinance had already been repealed by the Central Bank of Cyprus and Republican Currency (Recognition) Ordinance 1963 and by the Currency (Counterfeiting) Ordinance 2006 (Ordinance 13/06). The remaining sections (1 to 6 and 8 to 10) are no longer relevant. The Banking Business (Temporary Restrictions) Ordinance concerns the licensing of banks and also no longer has any relevance for the Areas.

(SBA/AG/2/BK/353)