

# Alternative Investment Funds in Cyprus and the shipping industry

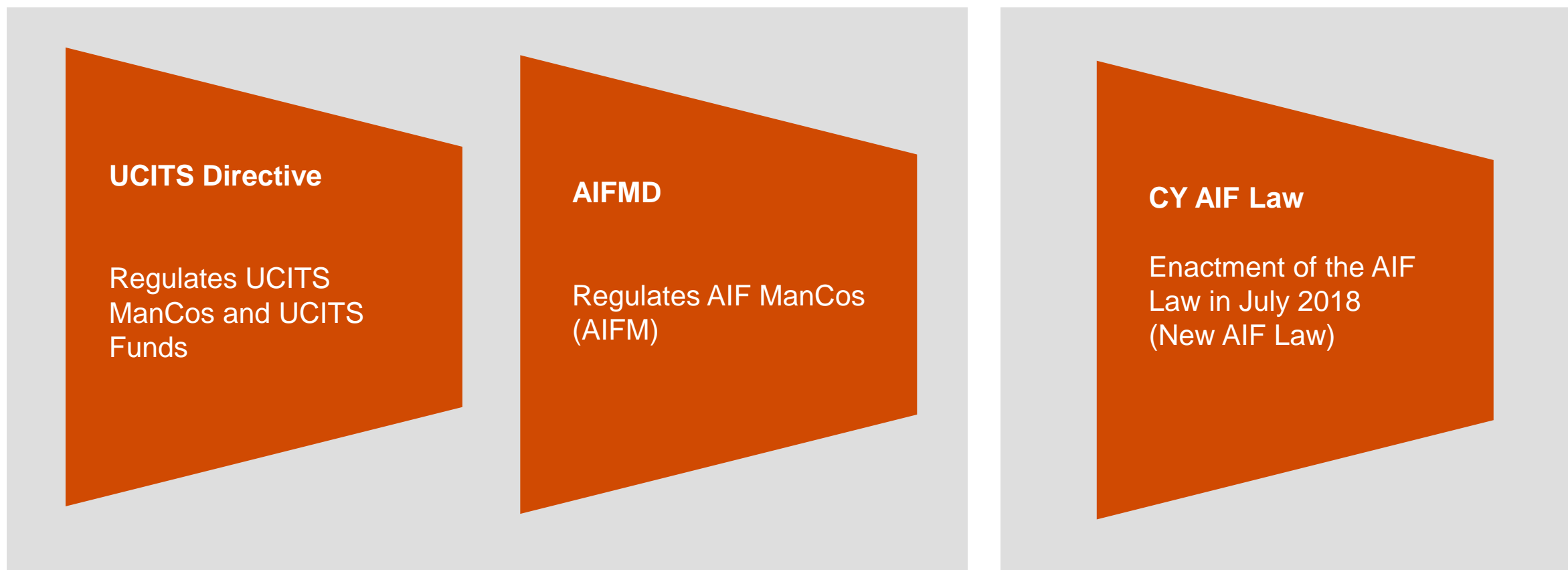
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# A comprehensive and modern regulatory framework

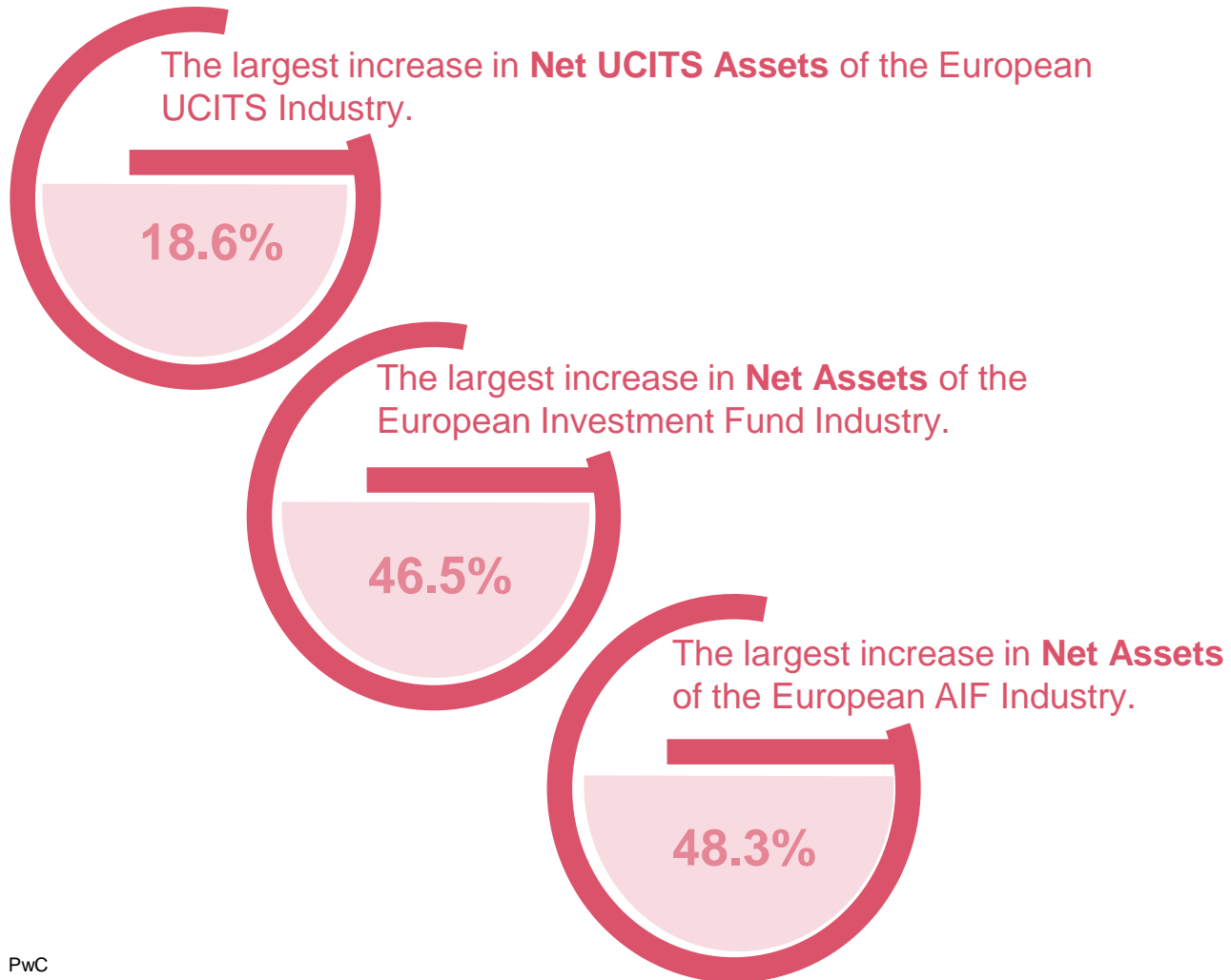


**Cyprus was one of the first EU member states to harmonize the complete EU legal framework**

- **Modernisation of the collective investment scheme law**
- **Flexible legal framework for AIFs**
- **Best practices for investor protection**

# Investment funds' growth

According to EFAMA Quarterly Statistical Release, during 2018, Cyprus recorded:



## Net asset growth

Total Assets Under Management (AuM) from Cyprus are experiencing remarkable growth during the last 2 years.

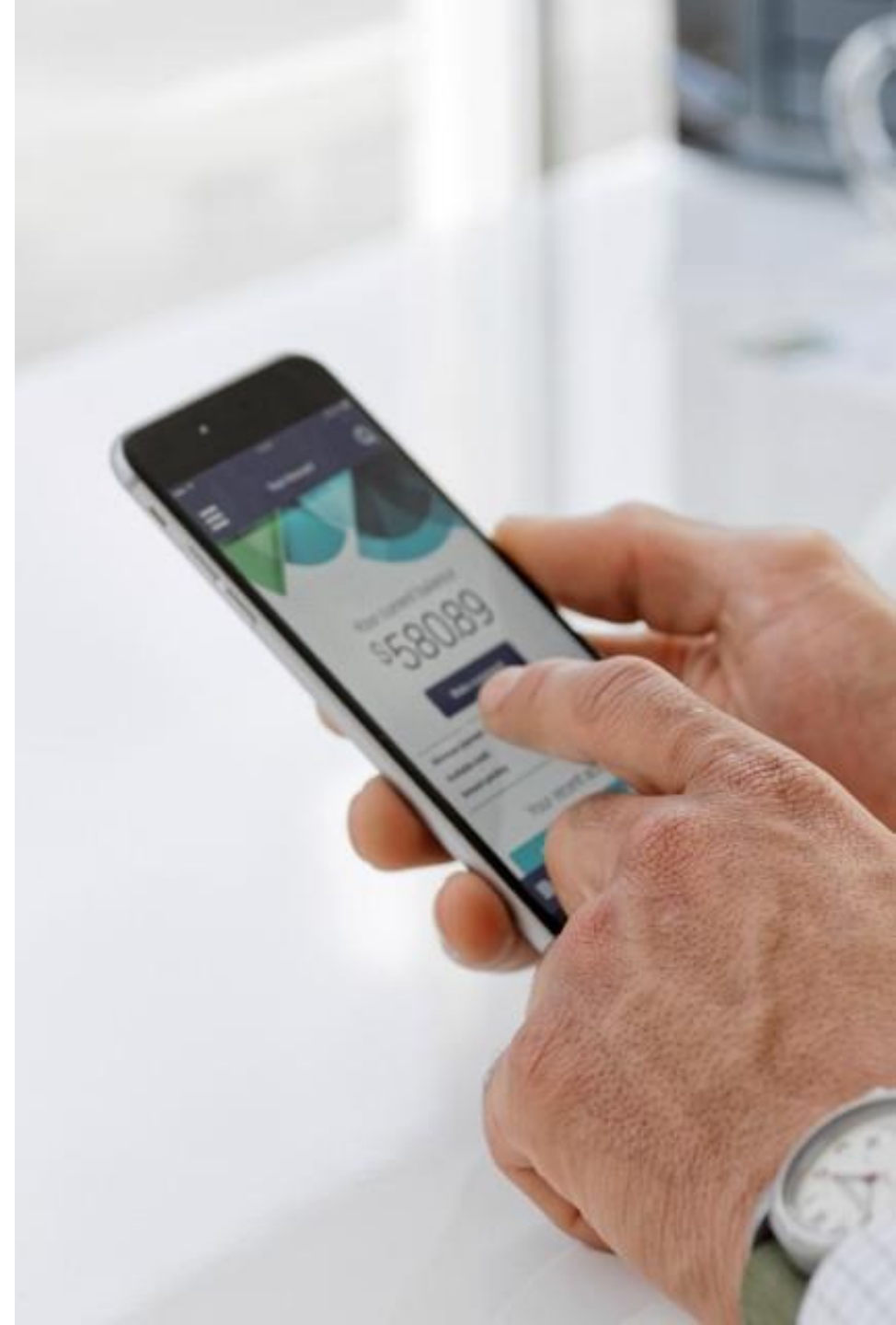
Since 2016, the AuM increased by **133%**, from €2.7 bn to €6.3 bn.

As a vote of confidence to Cyprus and the Cyprus Fund Industry, Clearstream announced the eligibility of Cyprus domiciled funds on the Vestima platform.

# Alternative shipping financing

## *Collective investment schemes as an alternative way of financing*

- 1 Asset diversification – Different types of ships / Management of risk exposure.
- 2 Access to a plethora of investments.
- 3 Management by experienced professionals.
- 4 Investors' protection: regulation and supervision by a competent authority / Control functions-professionals involved.
- 5 Transparency.
- 6 Increased bargaining power vis-à-vis large scale projects.



# Key benefits of Cyprus' shipping AIFs

## New opportunities

- Access to high growth markets such as the Middle East, Israel, Asia.

## Flexibility

- Any asset can be included in the investment strategy of the AIFs.
- Variety of structuring options / umbrella structure.

## Transparency

- Frequent reports to the Regulator and the investors.
- Well regulated structures / control functions.

## Low set-up and operational cost

- Easy and cost efficient to set up and maintain Cyprus funds compared to other jurisdictions.

## Regulation / Modern legislation

- Legal system based on common law.
- New, modern and flexible legislation according to the new market realities and conditions.
- EU passporting regime.

## Taxation

- Attractive tax system for funds and fund management companies.

# Thank you

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