

National Insolvency Statistics Update: Cyprus

Overall, the total number of insolvencies in Cyprus have decreased in the first half of 2023 by 12% compared to the first half of 2022, writes **Andri Antoniou**, *Director, Insolvency Practitioner, CRI Group, Cyprus*. However, it remains to be seen if factors such as increasing interest rates by the European Central Bank and inflation will lead to higher levels of insolvency over the coming years.



Voluntary liquidations: In accordance with the statistics maintained by the Insolvency Service in Cyprus, there were 951 voluntary liquidations during the first six months of 2022, whereas in the second part of the year a further 821 cases were recorded. During the first half of 2023 there were 764 voluntary liquidations. Based on these statistics, the number of voluntary liquidations declined by approximately 20% in the first half of 2023 compared to the same period last year, and by 30 % compared to the same period of 2021. Compared to compulsory liquidations, the number of voluntary liquidations remain comparatively higher as referred to below.

Compulsory liquidations: The number of winding up orders have been declining over the past decade, from their peak of 189 in 2003 to 57 in 2022. It's noteworthy however that in March of 2023 alone, 31 winding up orders were issued resulting in a 91% increase in compulsory winding up orders for the first half of 2023 compared to the same period of 2022 and raises a question as to whether this is a sign of things to come. Compulsory liquidations are avoided whenever possible as adjudication of cases by the Cyprus courts can take a number of years where petitions are contested.

Examinership: The concept of Examinership was introduced in Cyprus in 2015, however to date, there have not been any successful Examiner appointments, with the appointment of only a handful of interim examiners.

Bankruptcies: The number of bankruptcy orders has fallen significantly over the past decade from 561 in 2012 to just 43 in 2022. Albeit there has been an increase in the number of bankruptcy orders in the first half of 2023 compared to the first half of 2022 of just under 10%. Insolvency proceedings in general.

Further statistics from Cyprus and other jurisdictions can be found on our website [here](#).