

Oppose H.R.8212 – “End the Cyprus Embargo Act”

Background

- The island of Cyprus is divided between the internationally recognized Republic of Cyprus in the south and the Turkish Republic of Northern Cyprus (TRNC) in the north, which is recognized by Turkey. The ongoing dispute, known as the Cyprus Issue, centers around negotiations to achieve sovereign equality and equal international status of the Turkish Cypriots in the north and the Greek Cypriots in the south.
- Since 1974, the presence of the Turkish troops on the island has provided an effective deterrent for conflict between the south and the north. However, the United States imposed an arms embargo on the Republic of Cyprus (south) in 1987 to prevent a potential arms race on the island and encourage both sides to reach an agreement on the Cyprus Issue through diplomacy.
- In response to the United States embargo, the Republic of Cyprus (south) began procuring weapons from countries such as Russia.
- In December 2019, Congress voted to lift the arms embargo to allow “non-lethal” military hardware to be exported to the Republic of Cyprus (south) following decades without military conflict between the island’s two sides.
- The lifting of the embargo was included in the National Defense Authorization Act (NDAA) for Fiscal Year 2020.

Although Greek Cypriot side has made some progress in “cooperation on anti-money laundering and financial oversight”, and “denial of Russian military vessels access to ports” , many companies that slip through Cyprus’ anti-money laundering framework continue to be placed on the sanctions list by OFAC. Furthermore, while there has been some undertaking in the direction of barring Russian military vessels access to ports following Russia’s invasion of Ukraine, Cyprus [the Republic of Cyprus (south)], has had robust maritime ties with the Russian Federation, and it is not clear whether Cyprus would be willing to disapprove Russian naval visits to its ports if Russia’s invasion of Ukraine ends.

Potential negative consequences of passage of H.R. 8212

The enactment of – or adoption of this language as a part of a larger bill - is not in the U.S. interests because it may:

- Lead to increased tensions and a potential arms race in the Eastern Mediterranean region undermining regional stability.
- Undermine the delicate mission of the United Nations Secretary-General's Personal Envoy on Cyprus, Maria Angela Holguin Cuellar which is to make an assessment of the situation on the island based on the facts on the ground.
- Shift regional power dynamics, particularly at a vulnerable time when China and Russia are eyeing footholds in the region.
- Create long-term problems for energy security in the region.

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LB International Solutions LLC provides representation for the Washington Office of the TRNC. Additional information is available at the Department of Justice, Washington, D.C.