



**The History
of the Cyprus
Hotel Association**

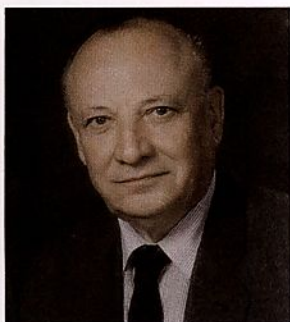
1941-1992



MR AND MRS
YEHIEL WIETZMAN
(PARENTS OF THE
THEN PRESIDENT
OF ISRAEL, MR
EZER WEITZMAN)
PHOTOGRAPHED
WHILE
VACATIONING AT
THE HELVETIA
HOTEL AT PLATRES
IN 1933.



Address by the President of the Republic Mr. Glafkos Clerides



I would like to express my warmest congratulations to the Cyprus Hotel Association for putting out this book, which for the first time ever chronicles the history and important contribution of the Association to the tourist development of our country.

This luxury publication depicts faithfully the 50-year long activity of the Association, which has as its focal point, the active contribution of hoteliers to the formulation of the tourist policy of our country. This many-sided activity, which constitutes a most important contribution to the economic development of Cyprus, comes alive in the pages of this book.

It is generally acknowledged that the professionalism, which is the hallmark of our hotel industry, has been achieved and upgraded through the efforts of many people and organisations. The contribution of the Cyprus Hotel Association in this respect cannot be overemphasised, as it has been of decisive importance, a fact which justifiably is widely recognized. The high standards of service provided by our tourist industry bear the imprint of the many-sided activities of the Cyprus Hotel Association.

I would be stating the obvious if I stressed that tourism today is one of the most important sectors of our economy. And it is exactly for this reason that the government will seek to upgrade even further, the quality of our tourist product, always in the framework of the balanced development of all sectors of economic activity. To this end, the government will continue to co-operate closely with the Cyprus Hotel Association which has proved in its long history that it makes a constructive and substantial contribution to the rational development of our hotel and tourist industry.

On this occasion, I would like to express the wish that the Cyprus Hotel Association may continue its upward course and its productive work for the further growth of our hotel and tourist industry and the more general economic development and prosperity of our people.



Address by the Minister of Commerce and Industry Mr. Stelios Kiliaris



On the occasion of the circulation of this book, I would like to congratulate most warmly the Cyprus Hotel Association and all its members and wish them even greater achievements in the future.

The contribution of hoteliers to the spectacular growth of Cyprus tourism, particularly following the island's independence, has been valuable indeed. In difficult times and despite the heavy blow dealt as a result of the invasion and continuing occupation of a large part of our country, Cypriot hoteliers, with the foresight and dynamism which are their main characteristics, but also with hard work and determination, have managed to build a hotel infrastructure, which is admired and even envied by competitor destinations.

Today, hoteliers, tourist professionals, businessmen and people working in the tourist sector, are facing a new challenge: To create the necessary competitive advantage, which will enable us to maintain and even strengthen our position in the new circumstances shaping in the international tourist horizon. A new situation has been created in which new tourists destinations make their appearance, traditional destinations are upgraded, while the tourist themselves are becoming more and more knowledgeable, demanding better quality in reasonable prices.

I am confident that we shall be able to face this challenge successfully, and that each one of us will do his utmost to improve our competitiveness by reducing costs, improving the quality of our services, upgrading our natural and man-made environment, preserving our cultural identity, strengthening our infrastructure and enriching our tourist product with new elements which will appeal to foreign visitors. I have no doubt whatsoever that the Cyprus Hotel Association and its members will once again have a leading role to play in this effort.

I would like to assure them that the Ministry of Commerce and Industry and the government in general will continue to show an undiminished interest in this effort and are determined to create the necessary conditions for the further development of our tourist industry.

Concluding, I would like to express my congratulations to the Cyprus Hotel Association for taking this initiative to chronicle the history and evolution of the Cyprus hotel industry — and by extension Cyprus tourism — by creating this useful document. I wish you all success in your work.



Address by the President of the Cyprus Hotel Association Mr. Kikis Constantinou



It gives me great pleasure to introduce, as President of the Cyprus Hotel Association, this remarkable book which for the first time ever records the history of the Association and the evolution of the Cyprus tourist industry in general.

This book is a chronicle of the continuing struggle of Cypriot hoteliers to protect their profession and at the same time create the Cyprus tourist industry and continuously expand and upgrade it. As it goes back to the beginning of the 20th century, recording the main events in the hotel industry of our country until 1992, it will undoubtedly serve as a useful document for all those interested in Cyprus tourism.

The active and many-sided involvement of the Cyprus Hotel Association in the tourist affairs of our island since early 1940's is documented in this book and constitutes an indisputable testimony of the contribution made by the Association and hoteliers in general to the creation of our tourist product and its improvement and upgrading in all its aspects. Furthermore, it records the efforts made for the projection, advertising and marketing of our tourist product, as well as the priority given by the CHA to staff training, as the tourist industry is largely dependent on the human factor and the provision of services.

Hoteliers have made a powerful and constructive contribution to the legislative regulation of all the sectors of the Cyprus tourist industry and to the shaping of the tourist and credit-monetary policy. Nobody can dispute the role played by the Cyprus Hotel Association in turning our tourist industry into the most productive and profitable sector of our economy.

As it clearly emerges from the events recorded in this book, the Cyprus Hotel Association, following a hard and long struggle has managed to give hoteliers their rightful place in society, and what is more important, to elevate hoteliers to a very important, business class, whose positions the government and other competent organisations cannot afford to ignore.

Finally it should be said that since, in the world tourist industry, new trends continuously make their appearance and new demands for continuous modernisation and upgrading of the tourist product are put forward, the efforts of the Association and hoteliers in general will continue unabated and intensify.

THE 'HANI (KHAN)
AT GALATA
VILLAGE, WHICH
PROVIDED
HOSPITALITY TO
TRAVELLERS FROM
1912 TO 1932.



MALE AND FEMALE
WORKERS,
ENGAGED IN
BUILDING THE
BERENGARIA
HOTEL AT
PRODROMOS IN
1928.





The History of the Cyprus Hotel Association

Tourism in Cyprus is not entirely a recent phenomenon. While it is true that tourism has developed at an unprecedented rate since the island's independence in 1960, the arrival of foreign visitors in Cyprus dates back to the beginning of the 20th century, from which time we can glean the first information on Cyprus hotels.

The colonial era

The beginnings of the Cyprus hotel industry coincided with the period of British colonial rule, which had a negative effect on its development. Despite setbacks, however, Cyprus hotels followed an upward curve until 1960, the year that marked the start of the spectacular growth rate achieved in the last decades. Due to its dynamic rate of development, the hotel industry gradually proved itself to be the most productive and profitable sector of the Cyprus economy. Its high standards and quality of service have gained Cyprus its place on the international tourist map. In this context the role of the Cyprus Hotel Association and its contribution to Cyprus tourism cannot be underestimated. The achievement of Cypriot hoteliers was the



**BRITISH OFFICIALS
ON HOLIDAY AT
THE BERENGARIA
HOTEL IN THE
EARLY 1930's.**



result of their concerted and progressive efforts, coupled with the staunch guidance and support of their association.

The first Cypriot hoteliers experienced many difficulties under the colonial administration, which inhibited any effort aimed at improving the Cypriots' standard of living. The British tried to impede the progress of the hotel industry and, by extension, of tourism to Cyprus — this at a time when there were good prospects for developing Cyprus as a tourist destination especially for the Middle East region.

In 1936, after continuous protests by the hoteliers against the repressive measures of the colonial administration, the colonial secretary proposed the establishment of a hoteliers' association, over which he would preside personally, allegedly to deal with the hoteliers' proposals.

The hoteliers, sensing that the idea would serve as a means of marginalising and silencing them, immediately rejected the proposal. At the end of the 1930's, however, events took a dramatic turn for the better with the appearance of George Skyrianides, who became the standard-bearer of the hoteliers' struggle to claim their rights from the colonial administration.

The establishment of the Cyprus Hotel Association

Skyrianides rallied all the Cypriot hoteliers behind him in a drive to establish an independent, professional association which would embody, represent and promote the interests of hoteliers on an organised basis.

As a result of Skyrianides' efforts, the Cyprus Hotel Association was established on March 25, 1941. At the founding meeting the first board was elected, with G. Skyrianides as its first president.

The objectives of the Association, as set out in its charter, were as follows:

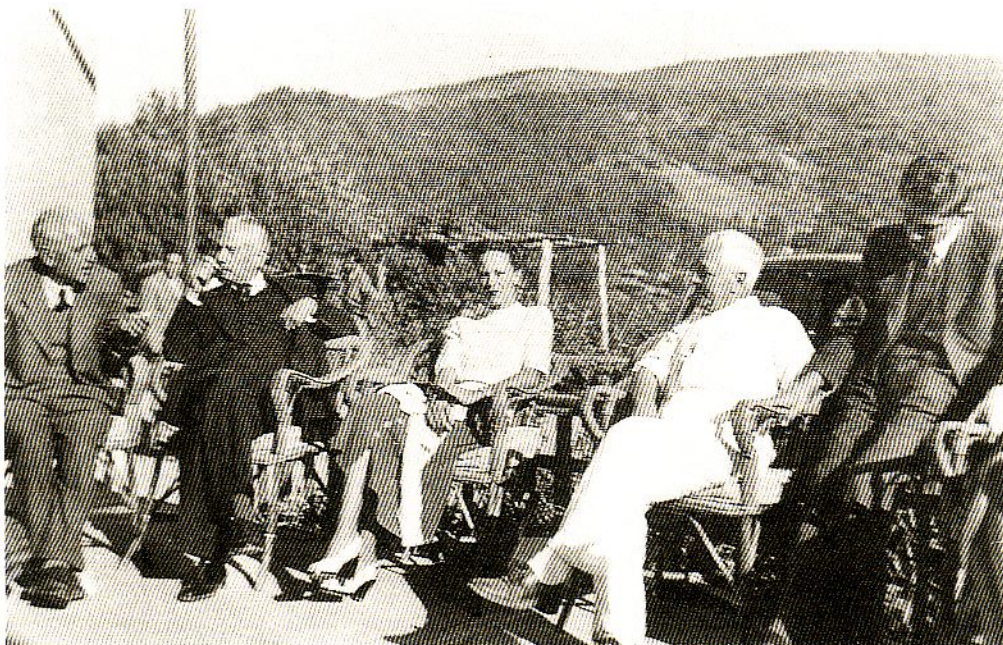


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-
- a) *To mount strong and aggressive action in establishing the hoteliers' rights.*
 - b) *To adjust the hotel tariffs to cover inflationary trends.*
 - c) *To organise and classify hotel units.*
 - d) *To seek abolition of certain unjust taxes imposed on hoteliers.*
 - e) *To submit a report on the prospects of developing tourism in Cyprus.*

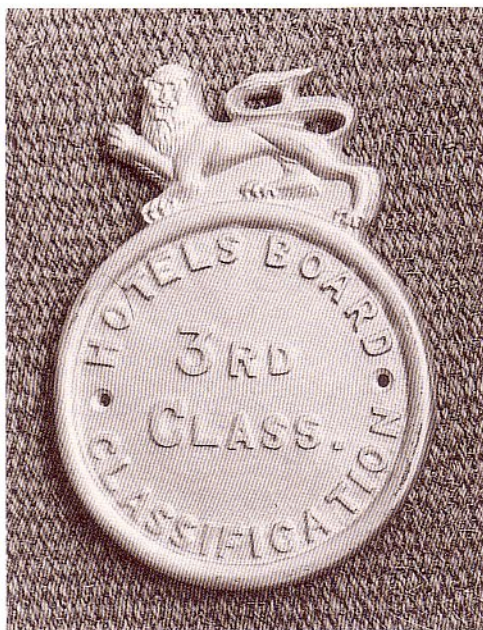
However, the negative and intransigent attitude of the British administration made the Association's work more difficult and hindered its progress, for the colonial government had hardened its general attitude as a result of the Cypriots' growing reaction to its oppressive regime.

It was clear from their attitude that the British intended to weaken and gradually dissolve the Association. Indicative was the establishment of the Hotels Board, whose role was to control and police hotels. The Hotels Board fixed tariffs so low and unprofitable that the hoteliers incurred considerable losses and their survival was called into question.

This measure prompted an indignant reaction from the hoteliers, who stepped up their protests to the British government demanding, above all, their participation on the board. The strong and decisive stand by the hoteliers forced the British to start thinking seriously about the problems facing Cyprus tourism.

The first steps towards tourism

Immediately after the end of the Second World War, the colonial administration approached Renos Evryviades (Wideson), a civil service employee, to set up a Cyprus Tourism Development Board. Administratively the new service came under the Public Information Office (PIO), whose director at that time was Laurence Durrell, the well known author of "Bitter Lemons". In 1949 a British officer by the name of Jarrat was sent from London to assume the post of Director of the Cyprus Tourism Development Board. Renos Evryviades was appointed



EACH HOTEL HAD
THIS SIGN AT ITS
ENTRANCE,
INDICATING ITS
CLASSIFICATION.



THE LEDRA
PALACE HOTEL AS
IT LOOKED IN 1949.



Inspector of Tourism. Jarrat appeared to have a conciliatory and liberal approach, pledging his firm support for the hoteliers' demands. This gave the hoteliers hope that at long last their numerous and accumulated problems would be considered seriously.

The burning issue at the negotiating table was the demand for an end to the fixed hotel tariffs. The Cyprus Hotel Association put forward convincing arguments and after a protracted series of meetings with the British side, succeeded in having the measure revoked and, subsequently, in having Cyprus hotels classified in four categories (1st class, 2nd class, 3rd class and 4th class).

In this new and more liberal climate, the hoteliers felt encouraged to put forward new demands, the most important of which was the establishment of a loans fund, which would grant financial assistance towards the extension and renovation of existing properties and the creation of new hotels. They also demanded representation on the Hotels Board and requested the establishment of a hotel school.

In 1952, after continuous pressure, the hoteliers succeeded in securing their representation on the Hotels Board through their president, George Skyrianides.

At the same time it was apparent that the administration, through Jarrat, was inclined to promote the tourist development of Cyprus, by advertising and promoting the island as a tourist destination in other countries.

As it emerges from this historic review, the presence of unlicensed tourist establishments was no latter day phenomenon, but stemmed from the colonial era, the difference being that unlike today there was some justification for them at that time. Records show that even in those days hoteliers made repeated protests to the colonial administration over the fact that houses could be turned into bars and pensions with no requirement for a licence, only to compete illegally with the hotels.

The abolition of fixed tariffs, which had in essence constituted a stranglehold on



THE MASS INFLUX OF TOURISTS TO CYPRUS, TAKING ADVANTAGE OF PACKAGE TOURS, BEGAN DURING THE EARLY 1950's.

the hotel industry, created a favourable climate for the revival and development of private enterprise.

Many hoteliers began expanding and renovating their property, while for the first time the construction of new hotel units was initiated. The new hotels, however, experienced problems in recruiting suitable staff. The lack of specialised labour, coupled with low



THE DECLARATION OF CYPRUS' INDEPENDENCE, 1960. HOISTING OF THE FLAG OF THE CYPRUS REPUBLIC, TO THE SOUND OF TRUMPETS, AT THE HOUSE OF REPRESENTATIVES.



HOTELIERS AND OTHER LEADING FIGURES PHOTOGRAPHED TOGETHER WITH THE LAST BRITISH GOVERNOR OF CYPRUS SIR HUGH FOOT, IMMEDIATELY AFTER THE SIGNING OF THE LONDON-ZURICH AGREEMENTS. HOTELIERS C. SKYRIANIDES, M. MARANGOS, A. ZACHARIADES, A. EVRYVIADES, L. MARKIDES AND G. KOKKALOS.

productivity, rendered Cyprus less competitive than other countries, and hindered the island's tourist development. The solution to the problem was directly linked to the call for a hotel school to be established, a recurring demand by the hoteliers and one which was becoming increasingly obvious. However both this demand and the anticipation of better days in tourism



were buried in the climate of upheaval and anomaly created as the EOKA liberation struggle was initiated in 1955.

The emergency measures imposed by the British and the declaration of Cyprus as a "prohibited area" killed any idea of attracting tourist traffic to the island. This was a heavy blow for the hotels. Many closed, while others barely succeeded in making ends meet. Worse was to come as the armed struggle against the British accelerated, and the hoteliers were obliged to endure this near-impossible situation until the declaration of Cyprus' independence in 1960.

Post-independence period

The termination of colonial rule marked the end of an ordeal for the hotel industry and opened a new chapter in its quest for development.

The hoteliers, aware that a bright future lay ahead for Cyprus, made strong representations to the newly formed Cyprus government to place tourism among its priority sectors. Not content with merely stating its demands, the Cyprus Hotel Association went as far as submitting a plan for the tourist development of Cyprus, using as its lynchpin the formulation of tourist policy and the preparation of the necessary legal framework. The most challenging task lay in making the hotel industry of Cyprus more competitive, and the hoteliers believed that this could be achieved through modernisation, professionalism and better services.

Their proposals concentrated on loans for the improvement of existing units and the creation of new ones, and the establishment of a hotel school so that staff could be trained to the required specialised levels.

Tourist development

The first substantial step taken by the Cyprus government in the field of tourism was the



introduction of the loans scheme for hotel units, which played a decisive role in the development of the hotel industry. An unprecedented response by Cypriot businessmen led to an explosion of investment activity and this, in turn, played a vital part in the progress of tourism. The provision of adequate hotel infrastructure, which enabled the government to launch an advertising campaign, permitted Cyprus to be included in the programmes of major tour operators. This subsequently resulted in a significant growth rate in Cyprus tourism. A number of the most modern and luxurious hotels on the island were built during this period. In 1962, the Hoteliers Association was registered as a trade union under the name "Cyprus Hotel Association."

The first hotel school

As a result of intensive efforts on the part of the Cyprus Hotel Association, and particularly by Andreas Evryviades who was a member of its board, the first class for hotel studies was established at the Dianellios Technical School in Larnaca. The school, which opened in 1963, continues its operation to this day.

In 1966 the Central Hotel Training School was established in Nicosia, an initiative warmly welcomed by the Association, since it satisfied one of its pressing and longest



PRESIDENT MAKARIOS RECEIVING A GROUP OF TOURISTS AT THE PRESIDENTIAL PALACE.



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PRESIDENT
MAKARIOS WITH A
GROUP OF
FOREIGN TOURISTS,
UNDERLINING THE
POLICY OF THE
NEWLY
ESTABLISHED
REPUBLIC IN
DEVELOPING
TOURISM.



standing needs. In the same year the new classification of hotels by stars was introduced, and this classification still remains in force.

In the meantime, the Association was broadening its scope and turning its attention overseas, beginning to develop international relations by projecting its presence on the international hotel arena. CHA was accepted as a member of the International Hotel Association (IHA), and has since participated actively in the different congresses and meetings of its various committees. Shortly afterwards it also became a member of the Universal Federation of Travel Agents Associations (UFTAA).

The establishment of the Cyprus Tourism Organisation

While the situation in Cyprus continued as described above, the development of tourism worldwide was undergoing something of a revolution, growing at a truly remarkable rate. The hoteliers of Cyprus were not satisfied with the way tourist affairs on the island were being handled by the Department of Tourism under the Ministry of Commerce and Industry.



TEACHERS AND STUDENTS OF THE HOTEL SCHOOL AT LARNACA, DURING THE FIRST YEARS OF THE SCHOOL'S OPERATION.



TEACHERS AND STUDENTS OF THE CENTRAL HOTEL TRAINING SCHOOL PHOTOGRAPHED WITH R. BERLENDIS, AN ILO EXPERT ON TRAINING MATTERS.

The hoteliers repeatedly expressed their concern over Cyprus' inability to exploit the opportunities opening up internationally. They strongly supported the view that the time was ripe for the establishment of an independent semi-state organisation which would have exclusive responsibility for tourism.

The hoteliers played a vital role in bringing to Cyprus Phokas and Koromilas, two Greek

THE MINISTER OF COMMERCE AND INDUSTRY NICOS DEMETRIOU, ADDRESSING THE ANNUAL GENERAL MEETING OF THE CYPRUS HOTEL ASSOCIATION IN 1967.



THE HISTORIC MEETING OF THE HOTELS BOARD, UNDER THE CHAIRMANSHIP OF MINISTER OF COMMERCE AND INDUSTRY ANDREAS ARAOZOS, AT WHICH A DECISION WAS TAKEN TO DISSOLVE THE HOTELS BOARD AND ESTABLISH THE CYPRUS TOURISM ORGANISATION.

THE MINISTER OF LABOUR TASSOS PAPADOPOULOS SPEAKING AT THE ANNUAL GENERAL MEETING OF THE CYPRUS HOTEL ASSOCIATION IN 1967. PICTURED FROM LEFT ARE M. MITAS, C. PAPALEONTIOU, G. SKYRIANIDES, T. PAPADOPOULOS, C. KOKKALOS, M. MARANGOS, CHR. SCHIZAS



THE PRESIDENT AND MEMBERS OF THE GREEK HOTEL CHAMBER, ACCOMPANIED BY THE PRESIDENT AND VICE-PRESIDENT OF THE CHA G. SKYRIANIDES AND G. KOKKALOS, DURING A COURTESY CALL ON PRESIDENT MAKARIOS IN 1968.



experts in tourism who were to advise the government on preparing the necessary legal framework for establishing a national tourism organisation. The Cyprus Hotel Association took a firm stand in favour of a strong, independent organisation, endowed with the executive power to succeed in its aims.

The hoteliers felt that representatives of their Association, and of other tourist bodies, should as a matter of course form part of the Board of the new organisation, since the aim should be to achieve wider consensus and better coordination in taking and implementing decisions concerning hotel and tourist issues. However, this demand was not satisfied, understandably giving rise to strong protests by the hoteliers, who felt excluded from a process in which they were directly involved. To this day, representation of the CHA on the board of the Cyprus Tourism Organisation, and the establishment of an autonomous tourism organisation with substantial powers continue to be two of the Cypriot hoteliers' chief demands.

The establishment of the Hotel and Catering Institute

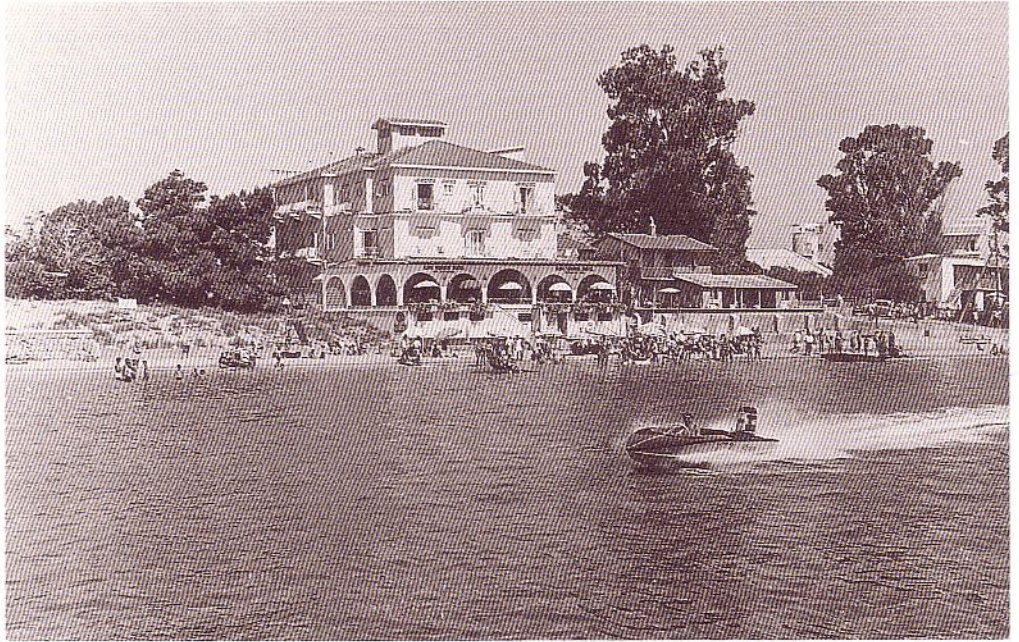
1969 was a landmark year for hotel training as this was the year that the Central Hotel School was upgraded to a Hotel and Catering Institute (HCI) and the same year a model hotel was built next door to it. The Philoxenia Hotel aimed at providing practical experience for students of the HCI. The Cyprus Hotel Association actively participated in training at the HCI as it was represented on the board of the Institute.

The Association gave its full support to and took an active interest in hotel training, both as organiser and co-organiser of training and retraining programmes. It played a leading role in the establishment of the hotel school and fully supported the qualitative upgrading and expansion of training in tourism, through the creation of regional schools in the main tourist areas of the island. In addition it closely monitored international developments and trends in tourism, so as to update its training programmes accordingly.

With its twin goals of better training for hotel managerial staff and keeping abreast of

FAMAGUSTA BEACH

DURING THE
EARLY 1960s.



IN THE LATE 1960s.



developments and trends in the hotel industry, the Association has been organising successful hotel seminars since 1969. These have since become an annual institution. Indicative of its interest in training was the setting up of a permanent committee on training questions and seminars.

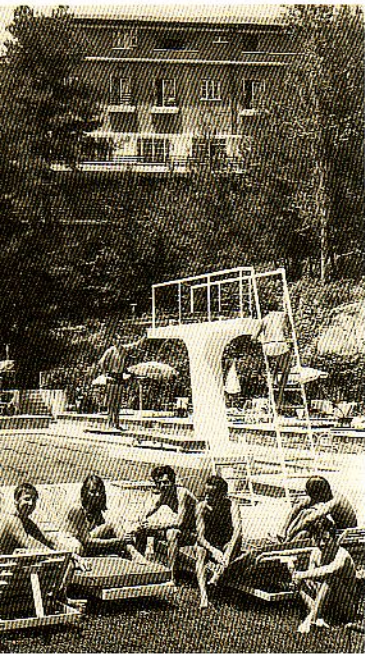
In 1970 Alexandros Koromilas was appointed General Manager of the Cyprus Tourism Organisation. The Cyprus Hotel Association expressed its willingness to cooperate closely with him for the benefit of the Cyprus tourist industry.

At the Association's Annual General Meeting which followed shortly afterwards, George Skyrianides expressed his wish to resign after serving as President of the Association for a total of 30 years. Andreas Catsellis was elected as the new President. At the suggestion of the new board, the Annual General Meeting made G. Skyrianides, G. Kokkalos and M. Marangos Honorary President, Honorary Vice President and Honorary Secretary respectively, in recognition of their valuable services to the Association.

Immediately after assuming their duties the members of the board dealt with the restructuring and strengthening of the Association, permitting it to respond more effectively to its increasing responsibilities. For this purpose the board decided that the Association should leave the Employers' Federation, under which it came up to that time. The Association proceeded with setting up its own secretariat and appointed C. Papaleontiou as Organising Secretary. Papaleontiou was granted an assistant and the appointee, Dora Kapsis, continues to serve the Association to this day.

First problems in Cyprus tourism appear

The Association made an evaluation of developments to date in order to shape its policy accordingly. In the board's view the most disturbing aspect of the tourist product was the fact that the Cyprus hotel industry was uncompetitive. Sounding a warning about the harmful effects this would have on the tourist sector, it demanded immediate remedial measures. Its



THE RENOVATED
FOREST PARK
HOTEL AT
PLATRES.

primary aim was the upgrading of hotel standards, the curbing of prices and increased productivity within the hotel industry. The root causes of the problem were firstly the lack of trained staff, due to the ever-increasing number of hotels and the inability of the Hotel and Catering Institute to cope with the real training needs, and secondly the illicit competition created by the uncontrolled operation of unlicensed tourist units.

The Association accused the Cyprus Tourism Organisation of being ineffective in addressing the various problems facing tourism, largely due to its lack of power to enforce decisions. On this occasion it reiterated both its proposal that effective power should be granted to the Organisation and its demand that the Association should be represented on the CTO board. At the same time it stressed the importance of well planned development and called upon the CTO to formulate a long-term master plan for the whole spectrum of investment activities in the tourist industry.

Shift of preference to the sea

During the years of the huge tourist boom in Cyprus there was another development for Cyprus hotels: the massive shift in popularity from the mountain resorts in favour of the sea. This led to the gradual decline of the hill resorts and in time a serious situation arose for these properties. The Cyprus Hotel Association focussed its activity on rectifying the situation. As a first step, and entirely as a result of the Association's efforts, the government introduced a loans scheme for the improvement and modernisation of mountain hotels. At a later stage the government set up a scheme to subsidise annual holidays, which proved to be very beneficial for working people and an effective measure for the revitalisation of these hotels. Equally the advertising and promotional campaign initiated by the Cyprus Tourism Organisation proved very successful and helped the hill resort hotels to improve their occupancy and regain their standing.



THE RENOVATED
BERENGARIA
HOTEL AT
PRODROMOS.



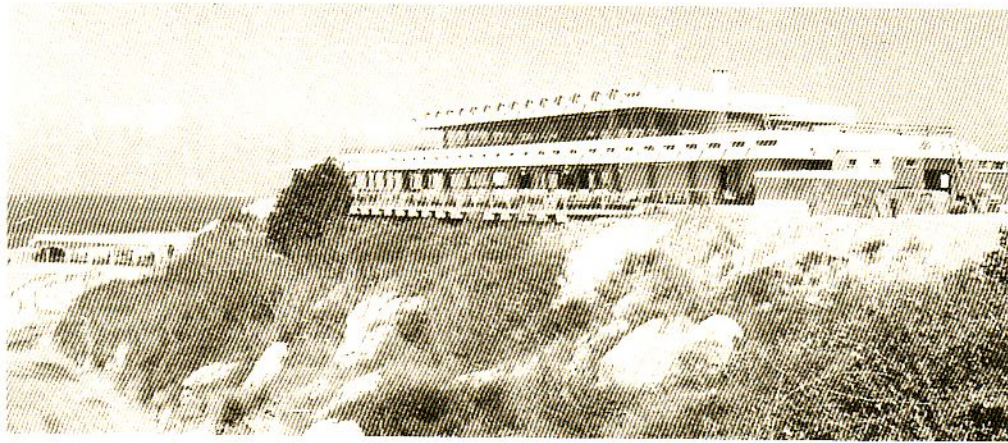
THE RENOVATED
PINWOOD VALLEY
HOTEL AT
PEDOULAS.

In 1971 the Cyprus Hotel Association set up a Hotel Reservations Desk at Nicosia International Airport, providing information and facilities to foreigners, while safeguarding the interests of hoteliers by coordinating and channelling clients to the various hotels. The Desk proved itself useful and productive to both clients and hotels.

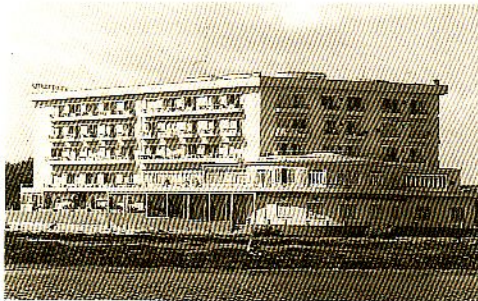
The new system of hotel classification

In terms of the shaping and development of the hotel industry in Cyprus, 1971 was a landmark year. During that year the CTO Technical Committee began working on the definition and criteria in the construction and operation of hotel units. The committee's first decision was to upgrade quality and re-classify hotels on the basis of higher and more stringent criteria. This measure radically changed the existing structure of hotel ranking, resulting in the downgrading of large successful hotels, while others faced the possibility of having their licences revoked. The Association was successful in averting the situation, which it regarded as unjust and irrational. It managed to persuade the government to give these units the necessary time to improve and upgrade their properties and thus achieve a better classification. For those that did not satisfy the new criteria, the Association obtained permission for them to continue operating until the retirement of their original owners.

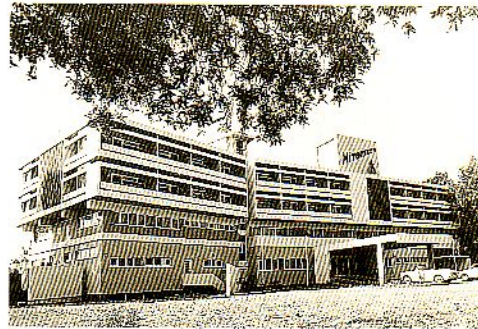
In the meantime the CHA's demand that the Cyprus Tourism Organisation should be a completely independent body, and its own claim to representation on the CTO board threatened to disturb relations between the two entities. The Association gave the CTO a time limit in which to satisfy its demands, and warned that the suspension of all contact and cooperation with the CTO would follow, if its demands were not satisfactorily met. It openly accused the Organisation of inconsistency between word and deed proving, on the basis of a relevant survey on the long-term labour needs of the hotel industry, that the shortage of low level and managerial staff in hotels should have been anticipated. The problem, already



THE MARE MONTE
HOTEL AT KARAVAS.



THE CONSTANTIA
HOTEL IN
FAMAGUSTA.



THE MIRAMARE
HOTEL, THE FIRST
MODERN HOTEL IN
LIMASSOL, AS IT
LOOKED THEN.

serious, was becoming acute as more and more staff from existing units were lured to new establishments and artificially high salaries were paid. This inflationary pressure had a damaging effect on the hotel industry as a whole.

Against this gloomy background for Cyprus tourism, Andreas Catsellis announced his decision to step down as President during the Annual General Meeting of the Association in March 1972. A. Evryviades was elected as the new president. At a special gathering in honour of Costas Catsellis, Andreas Catsellis' father, the new board recognised his contribution to the island's hotel industry and to tourism in general, and awarded him a gold medal. The new board continued the efforts of the previous board to upgrade the Association, and took another important step. The Association completely severed its link with the Employers' Federation and rented offices at an apartment block in central Nicosia. Moreover it appointed

Excessive development

The number of hotel beds had been rising steadily until 1972, but by then the problems of the unlicensed tourist establishments began to make themselves felt. At that time the CHA was seeking ways of increasing tourist traffic to Cyprus. It raised the question of chartered flights and demanded that more licences be given to foreign airlines for such flights. The CHA's stand was directly opposed to that of the CTO, which felt that continued protection should be given to the national carrier, Cyprus Airways, and recommended controlling tourist arrivals so as to avoid mass tourism.

A new Director General of the Cyprus Tourism Organisation, Antonis Andronikou, was appointed in 1973. The Association held a series of discussions with Andronikou on ways of solving the problems facing the hotel industry at that period, with the main emphasis on combating unlicensed tourist units and stepping up the efforts to increase tourist traffic to Cyprus.

In the meantime George Iacovou completed his report on the restructuring of the Association, and the suggestions it contained were largely accepted. The implementation of the plan began in 1973 with the appointment of Ioannis Yiakoumis as CHA Director General. Yiakoumis was entrusted with the task of implementing the remaining provisions in the report and of submitting proposals for the necessary changes in the statutes.

During this period it was decided to examine the potential of the Arab market — the main source of tourism for Cyprus at the time. A mission comprising representatives of all the relevant bodies was sent to the Gulf states for an on-the-spot analysis of the market. The Cyprus Hotel Association was represented by its director I. Yiakoumis.

As a result a strong campaign was launched, leading to a substantial increase in tourism from Arab countries. The introduction by Cyprus Airways of scheduled flights to destinations in Arab countries, and the establishment of a CTO office in Bahrain were also important contributory factors.

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THE RUINS OF THE SALAMINIA TOWER HOTEL IN FAMAGUSTA FOLLOWING ITS BOMBING BY THE TURKISH AIR FORCE IN 1974.



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THE PRESIDENT AND THE HONORARY PRESIDENT OF THE CYPRUS HOTEL ASSOCIATION A. EVRYVIADES (RIGHT) AND G. SKYRIANIDES (CENTRE) PICTURED WITH THE PRESIDENT OF THE MALTESE HOTEL ASSOCIATION, DURING A CONFERENCE OF HOTELIERS OF MEDITERRANEAN COUNTRIES, HELD IN MALTA, IN DECEMBER 1977.



ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ
ΞΕΝΟΔΟΧΩΝ

Ἡ ἑπτα Γενική Συνέλευσις Ἑλλήνων Ξενοδόχων Κύπρου συγκροτηθεῖσα τὴν 17ην Ἰουλίου, 1978 εἰς τὸ Ξενοδοχεῖον CHURCHILL καὶ ἀναφορὰς γενόμενης εἰς τὴν ἠθικὴν καὶ ὅλην συμπράσασιν εἰδικῶς τῶν Ἑλλήνων συναδέλφων ἀποφασίζει:

1. Νὰ ἐκφράσῃ πρὸς τοὺς Ἑλληνας συναδέλφους εὐχάριστιαν διὰ τὸ ἐπ' αὐτὸν ἐπιτεκνοῦμένον ἐνδιαφέρον διὰ τὴν θειασπὰσοσαν μαρτυρικὴν Κύπρον γενικῶς καὶ τὴν Ξενοδοχειακὴν οἰκογένειαν εἰδικῶς.
2. Ἀνακηρύσσει Μέγαν Ἐδερξήν τοῦ Παγκυπρίου Συνδέσμου Ξενοδόχων τὸ Ξενοδοχειακὸν Ἐπιμελητήριον Ἑλλάδος διὰ τὴν ἐξ 1:1, ἐκατ. Δραχμῶν συνεισφοράν τοῦ εἰ' ἀνακαταφιῶν τὸν λόγῳ τῆς Τουρκικῆς ἐισβολῆς ἐκτοπιζομένων Ξενοδόχων καὶ τὴν συνεργασίαν καὶ συμπράσασιν τοῦ γενικῶς.

Ἐπισημασμένος
Ἐπὶ τῆς Συνέλευσις
Ἰ. Χ. Αὐριάδης

Ἐπισημασμένος
Ἐπὶ τῆς Συνέλευσις
Μ. Μίτης

Τὰ Μέλη

1. Χ. Αὐριάδης

Α. Ζαχαροῦδης

Κ. Καραοἰάνου

Α. Παπακωνσταντῆ

Β. Ἀπὸστολίδης

Consequences of the Turkish invasion

The plans of the CHA were suddenly and forcibly overturned as a tragic result of the Turkish invasion. The blow dealt to the hotel industry was devastating. The loss of Famagusta and Kyrenia, which were the towns with most hotel activity at the time, meant that 65% of the island's bed capacity became inaccessible and 70% of Cyprus' hotel community were turned into refugees. The number of hotels dropped from 115 to 50 and the number of hotel beds, which before 1974 numbered 13,000, decreased to 4,500. Furthermore the loss of Nicosia International Airport resulted in the cessation of all air links with the rest of the world.

The first concern for the Association was to provide humanitarian and financial assistance to the uprooted hoteliers, many of whom had lost their entire livelihood overnight.

During these critical times, the interest shown by Greece was speedy and reassuring. The Greek Hotel Federation and the Hotel Chamber of Greece responded spontaneously and generously, providing substantial assistance to the CHA, enabling it to take instant action in giving relief to displaced hoteliers.

The Cyprus Hotel Association expressed its grateful thanks and declared the Hotel Chamber of Greece a "great benefactor" of the Association. Due to lack of funds, the CHA was unable to pay the rent for its offices and was obliged to move temporarily to rooms made available to it by the Hotel & Catering Institute. It was also forced to terminate the services of its director general and the other staff. Only Dora Kapsi continued to be employed by the CHA, shouldering the responsibility for carrying out all the work of the Association.

At a later stage the Association started working on the huge task of revitalising and reactivating the hotel industry. In the initial stages this consisted mainly of trying to induce the government to take suitable action.

Government response was direct and substantial. It implemented an incentives

A PRESS CONFERENCE GIVEN BY THE PRESIDENT OF THE CYPRUS HOTEL ASSOCIATION, A. EVRYVIADES, (SECOND FROM LEFT) AT THE P.I.O. EVRYVIADES ANNOUNCED THAT THE CHA WOULD HOST THE 62ND COUNCIL MEETING OF THE IHA IN CYPRUS. THE SECRETARY OF THE CHA, C. LOIZOU, IS SEATED NEXT TO THE PRESIDENT.



62nd COUNCIL MEETING
INTERNATIONAL HOTEL
ASSOCIATION, NICOSIA, CYPRUS
13th-18th, November 1977



FIRST DAY COVERS
BEARING A SPECIAL
SEAL, ON THE
OCCASION OF
THE IHA
CONGRESS.

INTERNATIONAL HOTEL ASSOCIATION
ASSOCIATION INTERNATIONALE DE L'HOTELLERIE
Telephone: (1) 264 92 75
Téléphone: (1) 264 92 75
Telex: 320252 IHA - IHA

89, rue du Faubourg-Saint-Honoré
75008 PARIS (FRANCE)



58th Meeting of the IHA Council
DUBROVNIK (Yugoslavia)
3 - 7 May 1976

RESOLUTION

adopted by the Council during its meeting on May 6, 1976

"The I.H.A. Council
Recalling again its Resolution unanimously adopted on the 24th April, 1975 in Budapest on the subject of investment security for the tourist industry in a situation of political conflict,
Re-affirming the Resolution unanimously adopted at its 57th Conference which took place between the 27th and the 31st October 1975, at Nairobi calling for the essential principles embodied in the Budapest Resolution to be applied to Cyprus, so that the hotels situated in the occupied part of the island should be restored to their legitimate and rightful owners,

1. PROTESTS in the strongest possible terms against the failure of the Turks to comply with the two Resolutions mentioned above,
2. DECIDES to use all means at its disposal to achieve a speedy restoration of the hotels and other tourist installations situated in the occupied territory of the Republic of Cyprus to their legitimate owners,
3. CALLS UPON all its members to refrain from collaborating in any way in the use of these hotels, except with the consent of their legitimate and rightful owners,
4. RESOLVES to bring this resolution to the attention of IATA, IFTAA, ASTA and all other relevant organisations with the request to urge their members to avoid any business contacts with hotels illegally operated in the Turkish occupied area of Cyprus,
5. UNDERTAKES, in its Consultative Status with the UNO, to demand the inscription of this question on the agenda of the next meeting of the Economic and Social Council of the UNO, which will take place in Geneva in July 1976."

ONE OF THE MANY
RESOLUTIONS
SECURED BY THE
REPRESENTATIVES
OF THE
CYPRUS HOTEL
ASSOCIATION AT
IHA CONGRESSES.

scheme for the creation of new hotel units. Many hoteliers took advantage of the first phase of the loans and land leasing scheme, while others were included in a scheme providing assistance either in the form of land or loans. The combination of the government's decisive approach and the strength of private initiative worked miracles. In a short period not only was the tourist industry revitalised, but by 1978 growth rates had already surpassed pre-1974 levels.

The campaign launched by the Cyprus Hotel Association also encompassed the occupied areas, aiming to prevent the unlawful exploitation of hotels in the north. The Association intensified its activities by attending an increasing number of international conferences and at the same time participating in joint missions with the CTO in an effort to revive tourist traffic to Cyprus.

Conference of the International Hotel Association in Cyprus

Recognising the valuable political mileage to be made by holding a conference of the Executive Council of the International Hotel Association in Cyprus, the CHA succeeded in being assigned as organisers of the autumn conference of the IHA Executive Council. It should be mentioned that the Turks made repeated attempts to frustrate the holding of the conference on the island. Cyprus benefited significantly from this event both in the projection of our cause and in suppressing Turkish efforts to exploit Greek Cypriot tourist establishments in the occupied area. Resolutions passed at the conference strongly condemned Turkey and demanded an end to the occupation of Greek Cypriot owned properties and their immediate return to their lawful owners. Moreover the resolutions called upon all the members of the International Hotel Association to avoid any kind of cooperation with hotels in the occupied areas, without the consent of their lawful owners. Cypriot delegations to other IHA conferences managed to have similar resolutions adopted.

Revival of the hotel industry

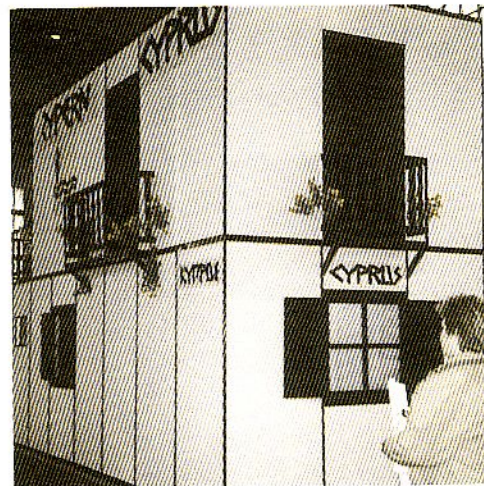
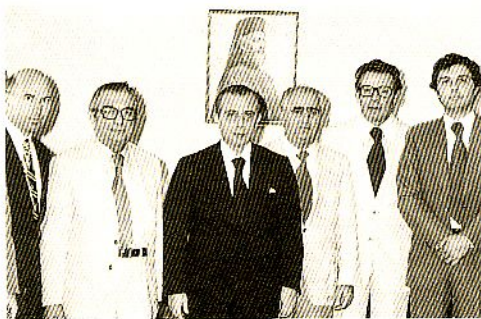
With the improvement of the economic climate, the CHA regained its former prestige and vigour. It was able to implement its development plans which had been suspended in 1974, starting with the restructuring of the Association. To this end, a report was prepared by the secretary of the Association Costakis Loizou, with the necessary changes in the statutes and procedures of the Association. These changes were implemented gradually.

As a first step, the CHA bought a building for the permanent housing of its services and subsequently filled the vacant post of director general. Artemis Yiordamliis was selected for the post, taking up her duties in September 1979. Gradually the secretariat of the Association was also completed.

In the meantime, the Hotel Reservations Desk manned by the Association resumed operation at Larnaca Airport and the revenue generated by this outlet contributed significantly to the financial standing of the Association. To this day the Desk continues to cover a substantial part of the Association's running expenses.

In 1979 a bill was sent to the House of Representatives regulating the operation of restaurants and tourist establishments. The Association played a leading role in the preparation and drafting of this bill. It should be mentioned that the Association encouraged the creation of infrastructure in the field of entertainment. It supported the aims of the owners of recreation establishments and made its contribution to the preparation of the legal

A DELEGATION OF THE CHA BOARD PAYING A COURTESY CALL ON THE NEWLY ELECTED PRESIDENT OF THE REPUBLIC, SPYROS KYPRIANOU IN 1978. FROM LEFT C. LOIZOU, A. EVRYVIADES, G. HADJIARAPIS, A. PAPAKYRIAKOU AND I. ARCHONTIDES.



THE CYPRUS PAVILION AT THE ANNUAL INTERNATIONAL TOURIST FAIR OF ITB IN BERLIN.

framework for the establishment in 1968 of the Pancyprian Association of Recreation Establishments. In the bill on the establishment and operation of these establishments, which covered their classification and the payment of fees to the CTO, restaurants and other recreation facilities in hotels were also included. This prompted strong reaction by the hoteliers who opposed implementation of the law. This difference developed into a confrontation between the CHA and the CTO, particularly following the adoption of the law and the refusal of the Association to implement it. After a long period of intense discussion, a compromise was reached and instead of the 5% originally requested by the CTO, the percentage was reduced to 3% on the consumption of food and beverages in hotels.

Problems of over-development

Hoteliers were the first to notice the signs of overdevelopment on the island and they sounded the alarm about the problems that would be created by uncontrolled development. The most worrying aspect was the staff shortage, which was assuming alarming proportions. To check this situation, the hoteliers suggested a series of measures, such as accelerated training of staff, a survey of the long-term labour needs of the hotel industry and even the control of further hotel development, if need be. They also pointed to some negative effects in the service sector and to some tendencies of tourists being exploited, particularly by taxi drivers. Cypriot hoteliers demanded that measures be taken for the protection of tourists and at the same time to safeguard the good name of Cyprus abroad. A bill to regulate and licence taxi drivers was only recently passed by the House of Representatives.

To provide effective protection for tourists the Cyprus Hotel Association also demanded the introduction of a tourist police force. This demand is still pending today.

At the same time, the Association once again raised the issue of its representation on the board of the Cyprus Tourism Organisation to ensure a collective and effective

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SENIOR CITIZENS
TOURISM HAS BEEN
SUCCESSFULLY
PROMOTED IN
CYPRUS,
PARTICULARLY
DURING THE
WINTER MONTHS.



implementation of the various problems facing Cyprus tourism.

The danger of unlawful exploitation of the occupied hotels may have been temporarily averted, but did not cease to exist. During this period, the Turks were making efforts to operate the Greek Cypriot owned hotels in Kyrenia and Famagusta, which they advertised in tourist programmes and foreign publications. Hoteliers denounced these new illegal Turkish activities and demanded the intervention of foreign governments.

Exploitation of occupied hotels developed into a very serious problem which, as of that time, became one of the main concerns of the CHA. Turkey not only showed no intention of complying with international norms, but on the contrary created new faits accomplis. Its advertising campaigns to project the occupied areas intensified in all directions. Gradually the occupied hotels were included in tour operators' programmes and the Turkish Cypriots even began participating in international tourist fairs. The CHA followed these developments

closely and, always in cooperation with the Cyprus government, even went before the international courts on behalf of hoteliers.

Seasonality was turning into another major problem for the Association. In an effort to attract and develop winter tourism, promotional and marketing campaigns were launched in Cyprus' main tourist markets. Missions were also organised to foster closer contacts with tour operators and gradually Cyprus was included in their winter sunshine programmes. These efforts were supported by advertising campaigns which covered new markets as well.

In 1981 the CTO created the Co-ordinating Committee for Tourism with the aim of arming the tourism sector with an independent body to address its various problems. The CHA agreed to participate on the committee, but upheld its firm demand to be represented on the CTO board.

As a result of the continuing fall in hotel occupancy, the government gave in to the Association's pressures and permitted charter flights into Cyprus from five British regional airports.

Problems with unlicensed tourist units

The unlawful operation of unlicensed tourist establishments gradually became the scourge of the Cyprus hotel industry, prompting hoteliers to take a strong stand against them. The Association embarked on a campaign to make the various organisations, officials and the public in general more aware of the undesirable effects they were having on the standards and quality of hotel services. At the same time the CHA urged the government to introduce legislation on the issue. Furthermore, it requested tour operators to make a firm commitment to cease co-operating with any illegal establishments.

Early in 1982, the board of the Association organised a special ceremony, attended by many guests, in honour of George Skyrianides, Honorary President, and Michalis Marangos, Honorary Secretary of the CHA. Skyrianides and Marangos were awarded a gold and a silver



G. SKYRIANIDES
AND M. MARANGOS,
TWO HOTELIERS
HONOURED IN 1982
FOR THEIR
OUTSTANDING
CONTRIBUTION TO
THE CYPRUS
HOTEL INDUSTRY,
PICTURED WITH
THE PRESIDENT OF
THE ASSOCIATION
A. FVRVIADES
AND MINISTERS
STAVRINAKIS AND
HADJICOSTAS.

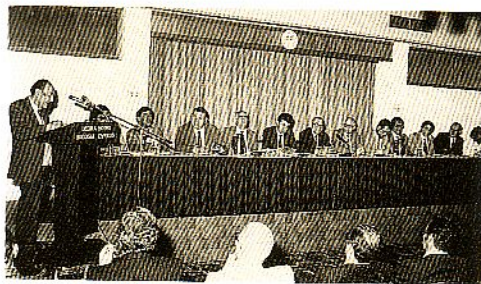
medal respectively, in recognition of their valuable services to the association over the years.

On the international scene, the CHA became a more prominent member of the International Hotel Association, particularly through its participation in activities tackling common problems that beset international tourism. Cyprus' participation in a joint programme with Malta and Rhodes to overcome the problems of seasonality in tourism was particularly successful. In this context, in February 1982, the third of a series of three conferences under the auspices of the International Hotel Association and the European Travel commission was organised in Larnaca. The conference reviewed the results of surveys conducted in the three countries on the problem of seasonality, with a view to adopting counter measures that would benefit countries not only in Europe but worldwide.

Of the three countries, Cyprus was the only one to present an applied programme with positive suggestions and potential solutions. This programme was adopted by the conference and formed the basis for the final action plan.

Since 1982 the Cyprus Hotel Association has played a leading role among the associations of other Mediterranean countries in supporting the initiative of the Spanish Hotel

CTO PRESIDENT
FRIXOS PETRIDES
ADDRESSING THE
CHA ANNUAL
MEETING IN 1983.



CTO PRESIDENT
DINIOS KITTIS
ADDRESSING THE
7TH HOTEL
MANAGEMENT
SEMINAR IN
NICOSIA IN 1984.
G. GEORGIADES,
A. EVRYVIADES
AND
A. YIORDAMLIS.

Association to create an International Federation of Hotel Associations (IFHA), aimed at collectively tackling problems peculiar to the Mediterranean hotel industry.

In the interests of improvement and as a means of offering a better service, the association restructured its personnel and improved its services. At the same time it adopted a more professional and scientific approach to the various problems facing tourism. A researcher was employed and assigned the task of studying the trends in tourism internationally, as well as evaluating competitive markets, thereby equipping the association with the data to formulate suitable strategies.

In 1983 the question of illegal tourist establishments took an unexpected turn. The situation was plucked from the hoteliers' grasp when pressure groups appealed to the government and the House of Representatives not to press charges against the owners of these establishments. Finally, the House decided to grant recognition to unlicensed tourist operations, while the CTO appeared to concur with the decision, putting forward the view that in this way it would be able to exercise control over the functioning of these units, whose total bed capacity in 1983 had reached 4,500. This development led to confrontation between the CHA and the CTO.

The CHA has always taken the stance that unlicensed tourist establishments represent the biggest scourge of the hotel industry, threatening to lower the overall quality of accommodation and services and thus cheapening Cyprus as a tourist destination.

In 1984, A. Evryviades announced at the Annual General Meeting that he would not be putting forward his presidency of the Association. Ioannis Archontides was elected as the

new president. The new board adopted a series of initiatives aimed at elevating its activities on the local and international level. Maintaining the Association's critical but constructive approach, it put forward new ideas for improvement. Evaluating the overall situation in tourism, it identified certain weaknesses in some aspects of the product and urged the CTO to launch a dynamic marketing campaign, to grant financial assistance for advertising campaigns abroad and to upgrade Cyprus' participation in international tourist exhibitions.

The Association started publishing a quarterly magazine, as a means of communication with its members, which acted as a mouthpiece for its activities and views on topical tourist issues. This also served to project the image of the Association internationally, along with promotional leaflets and news bulletins published for distribution at international meetings and events. The CHA also initiated systematic research into several fields of tourist activity and set new targets based on sound research.

The overall picture of tourism to Cyprus was not at all encouraging. The Association was confronted with faits accomplis following the decision by the Council of Ministers to recognise illegal tourist establishments and the tabling of a relevant bill to the House of Representatives. In an effort to avert promulgation of the bill, the CHA organised a campaign to create an awareness of the disastrous effects of such a measure, while lobbying prominent people and influential organisations to gain support for its stance.

The start of overbooking

In September 1984 Aristos Aristotelous was appointed Director General of the Association. In the same year, the Cyprus Association of Hotel Managers was established, to which the Cyprus Hotel Association pledged its support and co-operation. In the first years of its operation, the Hotel Managers' Association was given secretarial and support services by the staff of the CHA.

New problems were now adding to the existing ones that beset the hotel industry.



THE NEW PRESIDENT OF THE ASSOCIATION, I. ARCHONTIDES, GIVING A COMMEMORATIVE GIFT TO OUTGOING PRESIDENT, A. FARYVIADES, IN THE COURSE OF A LUNCHEON GIVEN IN FARYVIADES' HONOUR IN 1984. SITTING ON THE LEFT ARE C. LOIZOU, CTO CHAIRMAN M. COLOCASSIDES, AND ON THE RIGHT CTO GENERAL MANAGER A. ANDRONIKOU AND T. KOUNNAS.

THE PRESIDENT OF THE CYPRUS HOTEL MANAGERS' ASSOCIATION, GEORGE GEORGHIADES, GIVING A COMMEMORATIVE GIFT TO THE PRESIDENT OF THE CYPRUS HOTELS ASSOCIATION, I. ARCHONTIDES, AS A TOKEN OF APPRECIATION FOR THE ASSISTANCE PROVIDED BY THE CHA TO THE NEWLY ESTABLISHED ASSOCIATION.

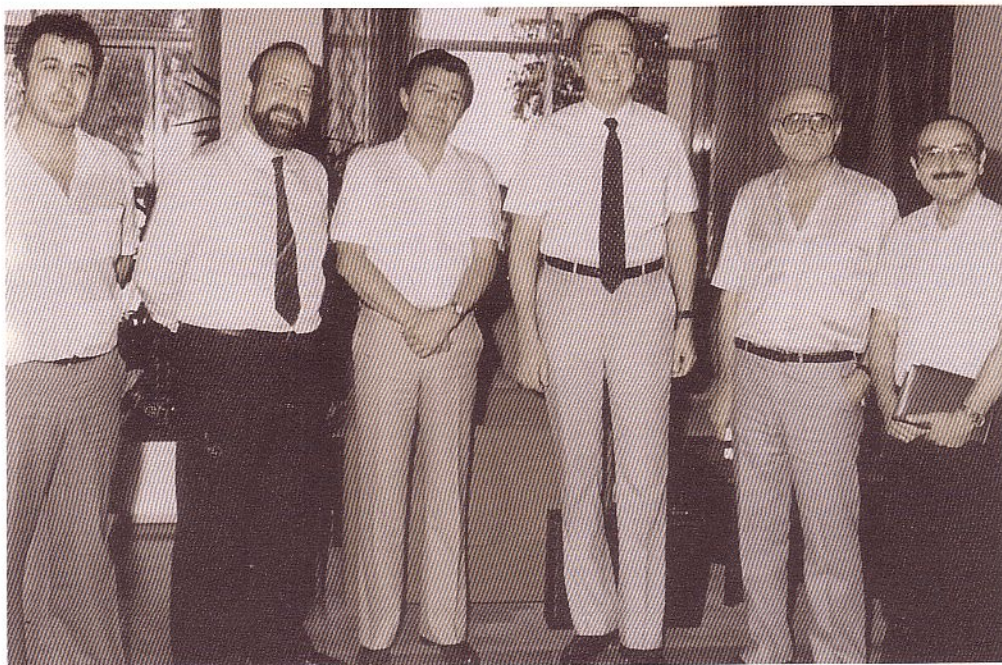
A DELEGATION OF THE CHA BOARD CALLING ON THE MINISTER OF FINANCE DINOS KITTIS.

Bankruptcies among foreign travel agencies became commonplace and hoteliers incurred substantial losses as a result. The Association looked at ways of solving the problem, such as proposing more binding contracts for travel agents or insurance cover for hoteliers through the Export Insurance Scheme, or through insurance companies.

During this period the first signs of hotel overbooking became evident. The Association blamed the tour operators and pointed the finger at the systems used for hotel reservations. The CHA formed a joint working group with the Association of Cyprus Travel Agents (ACTA) in an effort to establish the best way to tackle the questions of overbookings, delayed payments and the continued use of unlicensed tourist units by travel agencies.

Despite the opposition of the CHA, the House of Representatives approved an amendment to the law on the registration of unlicensed tourist establishments. As events

WALTER
 LESNEVITCH, AN
 AMERICAN LAWYER
 AND FOUNDING
 MEMBER OF THE
 "FRIENDS OF
 CYPRUS"
 ASSOCIATION, WHO
 DECIDED TO FILE,
 FREE OF CHARGE,
 A SUIT AGAINST
 THE "OFFICIAL
 AIRLINE GUIDE" IN
 1985. THE CASE
 SOUGHT TO BAN
 THE INCLUSION OF
 ILLEGALLY
 OCCUPIED HOTELS
 IN NORTHERN
 CYPRUS AND
 TYMBOU AIRPORT.
 PICTURED WITH
 A. ARISTOTELOUS,
 G. ORPHANIDES,
 I. ARCHONTIDES,
 A. NIKITAS AND
 A. NICOLAOU.



SNAPSHOT OF THE
 MEETING AT THE
 OFFICES OF THE
 CYPRUS HOTEL
 ASSOCIATION
 BETWEEN CYPRIOT
 AND CRETAN
 HOTELIERS IN 1985.
 ON THE LEFT SIDE
 OF THE TABLE IS
 THE BOARD OF
 THE CHA AND ON
 THE RIGHT THE
 BOARD OF
 HOTELIERS OF
 LASITHI, CRETE.



THE GENERAL
 MANAGER OF THE
 INDUSTRIAL
 TRAINING
 AUTHORITY
 LIA MYLONA,
 ADDRESSING THE
 8TH HOTEL
 MANAGEMENT
 SEMINAR AT
 PLATRES IN 1985.



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THE CUSTOMARY JOINT RECEPTION OF THE CYPRUS TOURISM ORGANISATION AND THE CYPRUS HOTEL ASSOCIATION, HOSTED AT THE WORLD TRAVEL MARKET EXHIBITION IN LONDON. THE MANAGER OF THE CTO OFFICE IN LONDON, N. KOPHOU, MAKING A SPEECH WHILE THE PRESIDENT OF THE CHA LOOKS ON.



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THE HEAD OF THE PLANNING SERVICE OF THE BANK OF CYPRUS, CH. STAVRAKIS, SHAKING HANDS WITH THE CHA SECRETARY, C. LOIZOU, AFTER DONATING A COMPUTER TO THE ASSOCIATION.



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UNDER-SECRETARY TO THE PRESIDENT, PATROCLOS STAVROU, READING AN ADDRESS BY THE PRESIDENT OF THE REPUBLIC TO THE ANNUAL GENERAL MEETING OF THE CHA IN 1986. FROM LEFT P. ANASTASSIADES, A. NIKITAS, I. IACOVOU, C. TSANOS, C. LOIZOU, I. ARCHONTIDES, A. ARISTOTELOUS, H. SKYRIANIDES, V. LOIZOU AND A. NICOLAOU.



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CHA PRESIDENT I. ARCHONTIDES, SPEAKING AT A LUNCHEON IN HONOUR OF YIANNIS HADJIARAPIS (SEATED ON HIS LEFT).

were to prove, however, this set a disastrous precedent, opening the door to a host of subsequent problems in illegal tourist accommodation which would continue to undermine the industry seriously.

In 1985 the Association demanded the liberalisation of hotel tariffs. Until that time a system of CTO controlled hotel prices with maximum and minimum rates had been in force.

The Association seriously examined the question of internal tourism for the first time. It made an assessment of its benefits to the hotel industry and took steps to assist in its development. The Association offered special incentives to Cypriots to attract them to spend their holidays in the island's hotels and published a list of hotels that had joined the scheme for use by travel agencies. Despite its encouraging results the scheme did not develop as anticipated in the long-term.

In 1985 the protracted attempts by Mediterranean countries to establish an International Federation of Hotel Associations came to fruition, and the Cyprus Hotel Association was accepted as one of its first members.

The same year the CHA, which kept a close watch on international technological trends, recognised that the Cyprus Hotel Industry would benefit significantly from up to date technology. It arranged to link Cypriot hotels with the international system of hotel bookings and information, and organised seminars to educate its members in this all-important field.

Meanwhile, early signs of decline in hotel standards and quality of service began to appear, stemming from the fact that various problems within the industry had been left in abeyance over a long period.

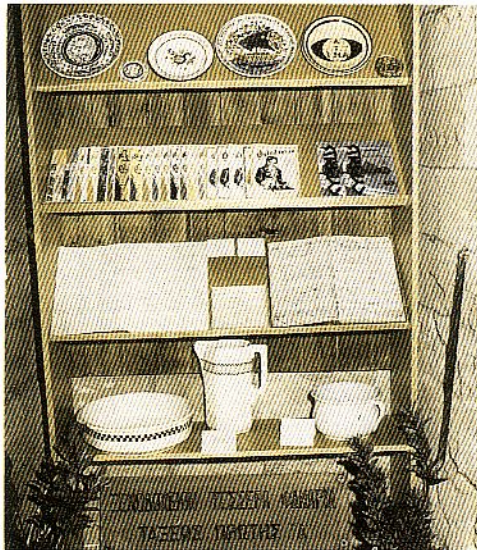
Noting these negative developments, the Association was persistent in its demands that controls should be exercised over the growth of the hotel industry. At the same time it adopted a stricter attitude on the issue of foreign investors in the industry, and took a strong stand against the introduction of time-sharing in Cyprus. This new holiday trend, which

involved buying time in tourist units, had already been gaining ground in Greece and several other European countries with very undesirable consequences.

The drop in hotel occupancy became an endemic problem for the industry, and it was this that finally nudged the government into increasing charter operations. Thus flights began to Cyprus from Luton airport in the greater London area.



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THE SLOGAN "CHA
50 YEARS OF
TRADITION AND
CONTRIBUTION TO
TOURISM" WAS
STAMPED ON ALL
CORRESPONDENCE
MAILED FROM THE
ISLAND'S 15 MAIN
POST OFFICES IN
THE WEEK 7-12
APRIL, 1986.



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SOME OF THE
EXHIBITS
DISPLAYED AT THE
CELEBRATIONS
FOR THE CHA'S
50TH ANNIVERSARY
IN 1986.



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THE MINISTER OF
COMMERCE AND
INDUSTRY,
M. MICHAELIDES,
ADDRESSING THE
CEREMONY TO
MARK THE 50TH
ANNIVERSARY OF
THE CYPRUS
HOTEL
ASSOCIATION ON
APRIL 12, 1986.

The Association's fiftieth anniversary

In April 1986 the board of the Association decided to mark the 50-year contribution by Cypriot hotel keepers to Cyprus tourism. During a special ceremony at Famagusta Gate, three former presidents of the Association G. Skyrianides, A. Catsellis and A. Evryviades, were given commemorative plaques for their exemplary services to the industry. The plaques were awarded by the then President of the Republic Spyros Kyprianou.

Ioannis Archontides, President of the Association, delivered an inspired speech in

THE PRESS
CONFERENCE
HELD ON THE 50TH
ANNIVERSARY OF
THE CYPRUS
HOTEL
ASSOCIATION.



PRESIDENT OF THE
REPUBLIC SPYROS
KYPRIANOU
PICTURED
TOGETHER WITH
CHA PRESIDENT
I. ARCHONTIDES
(ON HIS LEFT) AND
THE THREE
FORMER
PRESIDENTS OF
THE CHA:
A. CATSELLIS,
G. SKYRIANIDES
AND
A. EVRYVIADES.
THE THREE PAST
PRESIDENTS WERE
HONOURED FOR
THEIR
CONTRIBUTION TO
THE ISLAND'S
HOTEL INDUSTRY
— A MEETING TO
MARK THE 50TH
ANNIVERSARY OF
THE CYPRUS
HOTEL
ASSOCIATION. CHA
BOARD MEMBERS
I. IACOVOU AND
P. ANASTASSIADES
CAN BE SEEN IN
THE BACKGROUND.



which he referred to the history of the CHA, its establishment, its role and its progress during the 50 years of its existence. The President of the Republic, the Minister of Commerce and Industry and other speakers praised the work of the Association and the contribution of hoteliers to the development of tourism in Cyprus and the Cyprus economy in general.

An exhibition of photographs and other items associated with the history and evolution of the Association and hotels in Cyprus also formed part of the celebrations.

New trends in tourism

The Association has always made a point of keeping up with new trends in tourism and evaluating their potential for the Cyprus market. To this end, conference tourism and senior citizens' tourism were studied in the light of mitigating the seasonality problem. Members were informed so that they could alter their product accordingly and create the necessary infrastructure to permit the development of these two forms of tourism. It should be mentioned that as a result of CHA efforts, regulations in the Customs Tariffs Law concerning the importation of conference equipment were abolished. These regulations had been an aggravation to conference organisers. The Association was also the driving force behind the development of social tourism from Greece, which was achieved through the signing of the relevant contracts.

Crisis in industrial relations

The year of 1986 was marked by the worst crisis to date in relations between employers and trade unions. In the course of the renewal of the collective agreement in June 1986, a dispute erupted between the two sides regarding pay increases and other demands put forward by hotel employees. This difference led to an impasse and stormy negotiations between the CHA and the trade unions. A strike and a lock-out paralysed all activity and threatened to shake the foundations of the hotel industry.

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THE OFFICER RESPONSIBLE FOR SOCIAL TOURISM OF THE GREEK TOURISM ORGANISATION, G. STRATOS (FOURTH FROM RIGHT) AND THE MANAGERS OF THE CTO AND CYPRUS AIRWAYS IN ATHENS, PICTURED WITH CYPRIOT HOTELIERS IN THE COURSE OF MEETING DURING WHICH A DECISION WAS TAKEN TO INCLUDE CYPRUS IN THE SOCIAL TOURISM PROGRAMME OF GREECE.



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A DELEGATION FROM THE BOARD OF THE CYPRUS HOTEL ASSOCIATION PAYING A COURTESY CALL ON THE MINISTER OF INTERIOR, DINOS MICHAELIDES. FROM LEFT: C. LOIZOU, I. ARCHONTIDES, D. MICHAELIDES, G. TSANOS, T. KOUNNAS AND A. ARISTOTELOUS.

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CHA DIRECTOR GENERAL, ARISTOS ARISTOTELOUS, (THIRD FROM LEFT) WELCOMING THE DEPUTY MINISTER OF NATIONAL ECONOMY OF GREECE IN CHARGE OF TOURISM, N. SKOULAS, AT THE CHA PAVILION AT THE SALONICA TOURIST EXHIBITION IN 1986.



This serious situation was eventually defused thanks to the timely intervention of the Ministry of Labour. Following marathon negotiations the dispute was finally resolved and a new collective agreement between the two parties was signed covering a three-year period.

The danger posed by the industrial dispute may have been averted, but the hotel industry continued to be threatened by the unresolved problems of tourism. The Cyprus Hotel Association warned that the course of tourism had been charted into treacherous waters and accused the government of following contradictory policies. The hoteliers declared that the continuous, rapid increase in the number of hotel beds and the uncontrolled activity of unlicensed tourist units were counter productive to the objective of controlled tourist growth.

For this reason the CHA warmly welcomed the introduction of the Emergency Five Year Economic Action Plan (1987-1991), which provided for a controlled increase in hotel beds and the qualitative upgrading of the hotel industry. The Association proceeded to submit proposals based on the provisions of the Plan, which aimed at improving hotel facilities and enriching the tourist product through the creation of ancillary tourist projects.

The Association was confronted with an organised attempt on the part of political parties to pass an amendment to the law allowing the registration of more unlicensed tourist establishments. This attempt met with strong opposition from the Association. The CHA denounced the attitude of the House of Representatives, which clearly favoured legalising these establishments. As an expression of its strong opposition the Association called upon all its members to stage a one-hour work stoppage. It also declared that this approach contradicted the policy of qualitative upgrading and called upon the government and the House of Representatives to act responsibly and revoke their decision.

At the same time, the Association established that the Technical Committee of the CTO was unduly lenient in the classification of tourist establishments. It was also violating the provisions of the Emergency Action Plan by overlooking the fact that local authorities were

A SCENE FROM THE 1987 CHRISTMAS PARTY OF THE CHA STAFF. THE SECRETARY OF THE ASSOCIATION, C. LOIZOU, CUTS THE TRADITIONAL VASSILOPITA.



EMPLOYERS AND EMPLOYEES TOGETHER. PICTURED IN A JOINT STOPPAGE OF WORK TO PROTEST AGAINST THE INTENTION OF THE HOUSE OF REPRESENTATIVES TO LEGALISE UNLICENSED HOTEL UNITS ON JUNE 18 1987.



THE CHA EMBARKED ON A CAMPAIGN IN 1987 AGAINST THE LEGALISATION OF UNREGISTERED HOTEL UNITS, MAKING ITS VIEWS KNOWN TO ALL THE PARTY LEADERS. IN THIS PHOTOGRAPH THE BOARD CALLS ON THE PRESIDENT OF THE EDEK SOCIALIST PARTY VASSOS LYSSARIDES.



THE CHA BOARD CALLED ON THE GREEK AMBASSADOR MR STOMFOROPOULOS AND HANDED OVER A CHEQUE FOR THE EARTHQUAKE VICTIMS AT KALAMATA.



SNAPSHOT OF THE VISIT BY A DELEGATION OF THE BOARD AND OTHER MEMBERS OF THE ASSOCIATION TO THE TEXT OF THE WOMEN'S ANTI-OCCUPATION PROTEST MARCH AT THE DHERYNIA ROADBLOCK. THE HOTELIERS CONTRIBUTED FUNDS TOWARDS THE EXPENSES INCURRED. FROM LEFT N. PATTICHIS, S. LEOTSAKOS, M. LOIZIDES, I. IACOVOU, K. CONSTANTINOU, C. LOIZOU, T. KOUNNAS, I. THEOCHARIDES, A. ARISTODELOUS, PH. ADONIS AND IH. THEODOULOU.



granting new permits for the construction of tourist accommodation or tacitly accepting changes in the use of buildings.

In March 1988, the CHA Board met with the new President of the Republic and discussed with him the many and serious problems facing the tourist industry and requested his intervention.

Meanwhile the problem of overbookings continued. Stop sales reached acute levels and threatened to upset relations between hoteliers and travel agents. The Association pointed out once again that the root of the problem lay in the laxity of the relevant contracts and proposed that the two sides declared their respective obligations as binding. This proposal, however, received no response.

Shortage of staff

The growing labour shortage had developed into a serious and ongoing problem, with very serious repercussions for the hotel industry. As a last resort the Association considered the



SCENE FROM THE 11TH HOTEL MANAGEMENT SEMINAR, HELD AT PROTARAS IN 1988. A. ARCHONTIDES, THE PRESIDENT OF THE CHA, IS AT THE PODIUM. SITTING NEXT TO HIM ARE G. GEORGIADES, A. ARISTOTELOUS AND C. LOIZOU.

As the hotel industry continued to expand in the free areas, so did the accumulation of local and specific problems that accompanied it. The Association decided to introduce local committees, whose functions and responsibilities were regulated through amendments to the statute of the Association. Originally the local committees were six: Nicosia, Limassol, Paphos, Larnaca, the free areas of Famagusta and the hill resorts. The aim of setting up these committees was to provide speedier solutions to localised problems experienced by hotel keepers.

In October 1988 the Director General of the Association, Aristos Aristotelous, informed the CHA of his intention to resign his post in favour of other duties. Zacharias Ioannides was appointed as the new Director General of the Association in February 1989, and continues in the position up to the present time.

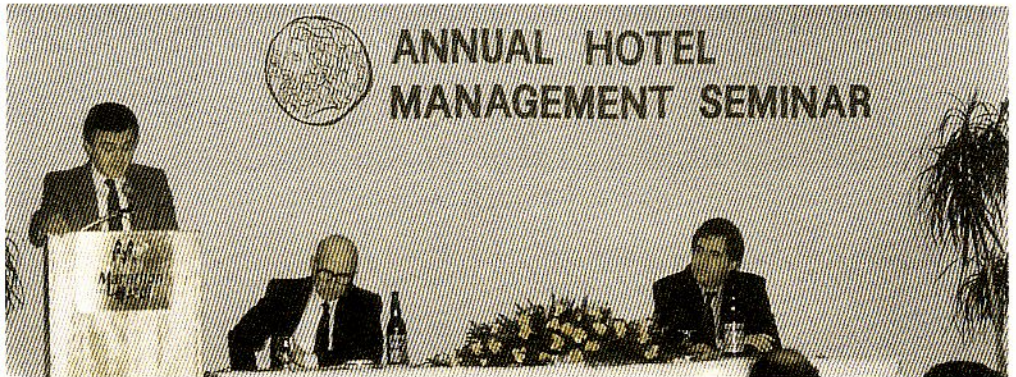
Moratorium to Hotel Development

As a result of the problems created in the Cyprus tourist industry by the excessive increase in the number of beds, the government finally imposed a six month moratorium on all hotel development on 1st June 1989.

THE PRESIDENT OF THE ASSOCIATION I. ARCHONTIDES READING HIS REPORT TO THE ANNUAL GENERAL MEETING OF THE CIAH IN 1989.



THE PRESIDENT OF THE CYPRUS HOTEL ASSOCIATION I. ARCHONTIDES ADDRESSING THE 12TH ANNUAL HOTEL MANAGEMENT SEMINAR HELD IN LIMASSOL IN 1989. C. LOIZOU AND C. GEORGIADIS ARE SEATED NEXT TO HIM.



When the new Five Year Development Plan 1989-1993 was revealed, the Association submitted a memorandum to the government outlining its views in favour of controlled and balanced development, which could be revised every five years in line with the situation at the time. It also put forward proposals governing the type and degree of development both for Cyprus as a whole and for each area individually, and called upon the government to grant immediate and substantial incentives (such as the leasing of khali land, granting loans, credit and tax facilities) to the private sector for ancillary tourist development projects.

During this period, as a result of the perceived intention of the government to allow the sale of a big area of land at Ha-Potami to a foreigner for tourist development, the Association expressed its strong opposition to such a decision, which it regarded as untimely and unwise in view of the serious problems in and the excessive growth of the hotel sector. It also



SNAPSHOT OF THE SEMINAR "HOTELS OF THE FUTURE" ORGANISED BY THE CYPRUS HOTEL ASSOCIATION FOR ITS MEMBERS.

reiterated its firm view that the participation of foreign capital in tourist projects should amount to no more than 25% of the total cost.

1990 was declared by the European Travel Commission as the European Year of Tourism, whose aims were to capitalise on the spread of tourism in a united Europe, and to encourage co-operation among European countries in promoting tourism over longer seasons and across new borders.

In this context various events were organised both at European and national levels in member states. In Cyprus, the CHA played an active part on the committee which organised events, including special promotional and advertising programmes, the projection of Cyprus cuisine, photographic exhibitions, seminars, visits by travel writers from EC member states and a festive reception at the mediaeval castle of Kolossi.

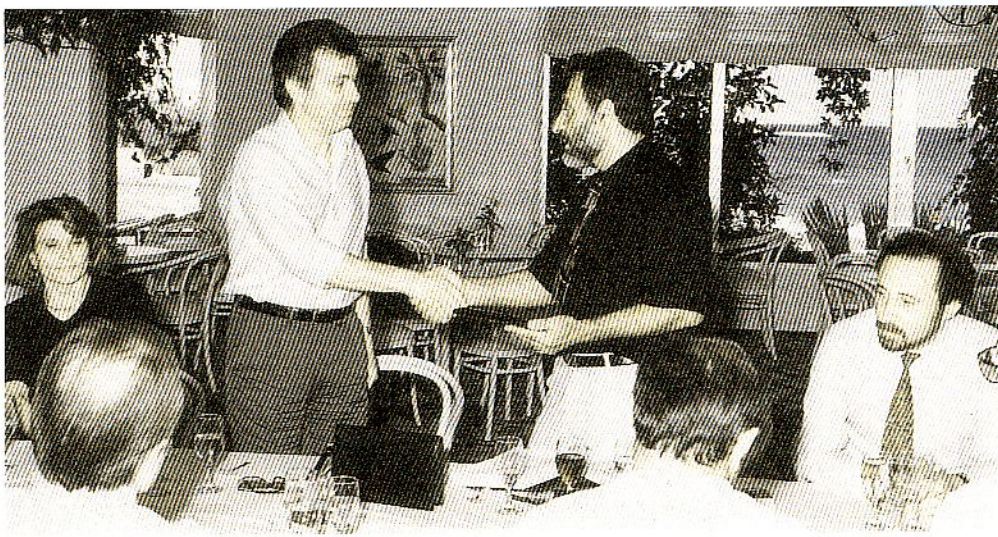
Before the six-month moratorium was to end, in January 1990, the Association called for its renewal, based on its belief that developments in tourism did not warrant its termination. According to a CHA study, some 56.000 beds were in operation in 1989, while another 47.000 were under construction, or their construction had already been approved and were therefore not affected by the moratorium of 1.6.1989. The Association's view was finally

CTO CHAIRMAN,
 A. GEORGIU,
 ADDRESSES THE
 13TH ANNUAL
 HOTEL
 MANAGEMENT
 SEMINAR IN
 NICOSIA 1990.
 SITTING ON THE
 PRESIDENT'S
 BENCH ARE
 C. LOIZOU,
 C. GEORGIADES
 AND
 Z. IOANNIDES.



A VIEW OF THE
 CHA ANNUAL
 GENERAL MEETING
 OF 1990. OUTGOING
 CHA PRESIDENT
 I. ARCHONTIDES
 ADDRESSES THE
 MEETING.





LUNCHEON IN HONOUR OF THE OUTGOING CHA PRESIDENT I. ARCHONTIDES IN 1990. THE NEW PRESIDENT K. CONSTANTINOU OFFERS HIM A MEMORIAL GIFT, IN THE PRESENCE OF FR. MICHAEL AND Z. IOANNIDES.

recognised when the Council of Ministers voted to extend the moratorium until October 1990. The lifting of the moratorium was linked to the completion and implementation of the Town and Area Planning Law which governs all types of land use and development, including tourist development.

In 1990 the question of foreign investment in Cyprus was finally settled when the House of Representatives passed an amendment to the law on the ownership of property by foreigners. It imposed strict conditions on the sale of land to foreigners. Another positive development for hoteliers during this period was the government decision to permit foreign labour to augment the existing force to ease the acute shortage within the hotel industry.

After serving six years as President of the Association, Ioannis Archontides informed the Annual General Meeting of the CHA of his intention to resign his post. Kikis Constantinou was elected as new President. The new board, continuing the policy charted by its predecessor, took an active interest and involvement in tourist issues and demanded to be given a say in matters directly affecting the hotel industry.

The issue of time-sharing came to the fore once again that year, following a decision by

the Council of Ministers to allow a time-share group to operate on the island. The Cyprus Hotel Association denounced the government for going back on a previous decision not to allow time-sharing to operate in Cyprus, particularly in the absence of any legal framework. It also criticised the Council of Ministers for contravening the prohibitive measures in place for tourist development and called upon the government to reconsider its position.

Turkish efforts to promote tourism in the occupied areas gained ground. This question preoccupied the first meetings of the board, which decided to exert pressure on tour operators to withdraw the occupied areas from their programmes, warning them that in case of non-compliance, Cypriot hotel keepers would cease all co-operation with them.

The Association continued its tough line in favour of liberalising controlled chartered flights. It also reiterated its call to permit chartered flights from Gatwick, stressing their importance in the promotion of winter tourism to Cyprus.

Meanwhile, time-share activity appeared to be gaining ground, and the Association protested strongly to the government, demanding the imposition of a moratorium and the suspension of all activity until the necessary legal framework was in place. The government was urged to study the effects of time-share on the Cyprus tourist industry and, on the basis of their findings, to take a decisive stance on the issue.

The effects of the Gulf war

In the summer of 1990 the Gulf crisis erupted in the wake of the Iraqi invasion of Kuwait, which was to have a disastrous impact on tourism. Signs of a decline in tourist traffic to Cyprus became apparent, while cancellations were beginning to come in on bookings for summer and winter 1991. To monitor these adverse developments an action team was set up by the Cyprus Tourism Organisation, Cyprus Airways, the CHA and the Association of Cyprus Travel Agents.



SENIOR OFFICERS OF THE CYPRUS TOURISM ORGANISATION AND THE TOWN PLANNING DEPARTMENT EXPLAIN TO HOTELIERS THE PROVISIONS OF THE NEW TOWN PLANNING LAW, IN THE COURSE OF A SEMINAR ORGANISED IN 1991 BY THE CHA FOR ITS MEMBERS.

As a first step, a programme of visits and contacts was arranged in London with a view to changing the negative impressions surrounding Cyprus. Hotel keepers who were most affected by the downturn, pressed the government to take more practical and decisive measures. They insisted that airport taxes be lifted, that the government cover the additional cost of air tickets and that the promotion and advertising of Cyprus abroad be intensified. They also asked for the government's active intervention on the question of unlicensed tourist establishments following the completion of a study which showed that 40 per cent of British tourists did not stay in hotels.

In view of the expiry of the moratorium, the Association demanded its renewal once again, because its raisons d'être were still valid. Thus it sent several memoranda to the House of Representatives and the government, putting forward its arguments.

New Tourism Policy

An Extraordinary General Meeting of the board of the Association studied the provisions of the new tourism policy agreed by the Council of Ministers in November 1990 and its effects on the hotel industry. The new policy was directly linked to the implementation of the Town and Area Planning Law, and contained provisions governing the size and type of development area by area, even specifying the type and category of hotel units that could be built. The Association recognised that the ban on building tourist units of a specific category in any particular area would have the ultimate effect of suppressing development within that category. It reacted

THE PRESIDENT OF THE REPUBLIC GEORGE VASSILIOU ADDRESSING THE 1991 ANNUAL GENERAL MEETING OF THE CHA.



THE PRESIDENT AND THE DIRECTOR GENERAL OF THE CHA, ESCORTING THE MINISTER OF COMMUNICATIONS AND WORKS P. SAVVIDES ON ARRIVAL AT THE ANNUAL GENERAL MEETING OF THE ASSOCIATION.



THE PRESIDENT OF THE CHA, WELCOMING THE MINISTER OF COMMERCE AND INDUSTRY, T. NEMITSAS, AT THE 1991 ANNUAL GENERAL MEETING. THE GENERAL MANAGER OF THE CYPRUS HILTON LOOKS ON.



against this provision on the basis that it was contrary to the interests of its members, and demanded of the CTO that it be scrapped.

In January 1991 the Gulf war broke out. It was a heavy blow for Cyprus tourism and particularly for the hotel industry. Foreign airlines suspended their flights to Cyprus and incoming traffic was reduced to a minimum, while those tourists who were holidaying in Cyprus at the time were obliged by the tour operators to return to their countries. The repercussions for Cyprus were extremely serious due to the island's proximity to the theatre of war and the artificially inflated holiday prices that ensued, caused by impossibly high insurance premiums imposed on airline companies and the increase in fuel prices.

The situation was greatly aggravated when some of the major insurance companies included Cyprus in the war zone. This resulted in the imposition of prohibitive premiums on

airlines flying to Cyprus, leading to the cancellation of winter programmes for the island and posing a real threat to summer programmes too. An Extraordinary General Meeting of the Cyprus Hotel Association was convened to determine its strategy and formulate an immediate action plan.

The hoteliers supported the adoption of drastic measures and urged the government to intensify its efforts and exercise its influence to have Cyprus removed from the insurers' high danger zone. They also argued that incentives for tour operators and an intensive overseas advertising campaign were crucial to Cyprus' re-inclusion in tour operators' programmes.

Due to their dire financial difficulties many hotels were forced to suspend or even dismiss staff. Fortunately during these critical times understanding and goodwill prevailed on all sides, resulting in an atmosphere of calm. Employers and trade unions agreed in these exceptional circumstances to grant leave without pay, and at the same time the Ministry of Labour accepted the obligation to pay unemployment benefits to affected employees.

The government's prompt and effective action succeeded in deflecting the anticipated crash of the Cyprus hotel industry. Removing Cyprus from the war zone was the most important step in normalising the situation. The package of reinforcing measures, the requisition of Cyprus Airways in order to serve the needs of tour operators and heavy advertising campaigns with budgets over double the norm saved the day. Cyprus was reinstated in tour operators' programmes, paving the way for a gradual revival in its tourism. The strong government support for the the hoteliers was instrumental in the return of the hotel industry to pre-war levels after the end of hostilities.

In 1991, the Ministry of Commerce and Industry announced the setting up of the CTO Advisory Committee, with the participation of the CHA. The decision was warmly welcomed by the Association as a meaningful step towards satisfying its constant demand for representation on the CTO board. However, during the first meetings of the committee serious

Exploitation of new tourist markets

The Association expressed its disagreement with CTO policy on the question of advertising Cyprus abroad and the allocation of the relevant budgets. It put forward the view that the time was ripe for promoting Cyprus in the markets of Russia and other eastern countries and that the CTO should concentrate more on these markets. To achieve better coordination in future marketing activities, the CHA asked to participate in the preparation of the CTO annual budgets.

Moreover, the CHA proposed to the CTO that it would be in Cyprus' interest to start direct flights to Moscow, where it could tap into a rich seam of Japanese tourists, thousands of whom fly to Europe through Moscow Airport. The efforts to date of promoting Cyprus to Japanese tourists through Athens and Cairo airports in the form of joint holidays had not been successful.

With the complete recovery of the hotel industry after the effects of the Gulf war, the problem of staff shortages in hotels became more acute. Following intensive meetings with the trade unions and the government, the Association succeeded in persuading them to permit foreign labour to work in the industry. Thus one of the most serious problems that had dogged the hotel industry for many years appeared, for the time being at least, to have been resolved.

Once again the Association was able to highlight its role as tireless guardian on behalf of its members. On this occasion it confronted the problem of seasonality, which was particularly acute in the free Famagusta area, where the hotels were experiencing over-saturation during the summer period and complete inactivity in the winter months.

Jointly with the CTO, the Association agreed to study the problem and take measures to ease the situation. It had already been established that the closure of shops and recreational facilities from November to March was an inhibiting factor in the attraction of winter tourists. It was therefore decided to oblige these establishments to remain open by law, taking it in turns.

The Association also declared its outright determination to combat the biggest scourge of the hotel industry — the operation of unlicensed tourist establishments.

The question was discussed by the members of the Association at an Extraordinary General Meeting, which approved a resolution addressed to the government demanding irrevocable measures to ensure the lawful channelling of tourists to Cyprus. The resolution also asked for the re-establishment of the CTO Advisory Committee, and called for measures to make the hotel industry more competitive, safeguarding the future of Cyprus tourism.

In recognition of the valuable services given by Costakis Loizou, who had served as Secretary of the Association for a number of years, he was declared an Honorary Secretary of the Association by the Extraordinary General Meeting held in his honour in December 1991. The honorary election was followed by a festive luncheon.

The continuous developments in the island's hotel industry and the onus on the Association to maintain top level services to its members, necessitated new amendments to the statute of the Association, which were approved in 1992.

One of the amendments was the replacement of the local committees by district committees, which now correspond to the five districts, i.e. Nicosia, Limassol, Larnaca, Paphos and Famagusta. A Committee of Displaced Hoteliers was also established, while properties in the hill resorts were represented on their respective district committee. Both the displaced hoteliers and those in the hill resorts are represented on the board of the Cyprus Hotel Association, by a representative of each.

Decline in tourist traffic

Unfortunately the auspicious signs of 1991 were belied by developments that unfolded in 1992. A disastrous combination of worldwide recession, the devaluation of various currencies and the new order starting to emerge in the ranks of European communities, coupled with significant increases imposed by Cypriot hotels — due to substantially higher labour costs,

heavy taxation and the introduction of Value Added Tax on 1st July 1992 — presented a dismal scenario that could only diminish the tourist product and would, in the long term, jeopardise the competitive position and good name of Cyprus tourism.

The Association anticipated the looming crisis and called upon the government, the CTO, the House of Representatives, local authorities, trade unions and all relevant parties to take immediate, specific measures to reduce the operating costs of hotels and increase productivity. It also suggested new marketing and advertising campaigns and urged the early completion of ancillary tourist infrastructural projects. At the same time it reiterated an old demand that the government should officially recognise the export nature of the hotel industry and provide suitable incentives, in line with the rest of the Cyprus export industry.

Badly affected by the world recession, overseas tour operators started putting enormous pressure on Cypriot hoteliers — trying to secure substantial reductions in the pre-negotiated and agreed hotel prices. At the same time delayed payments were becoming commonplace, culminating in the bankruptcy of five European tour operators who owed Cypriot hotels more than CYP700,000.

The board of the Association spearheaded a dynamic emergency campaign. It had repeated meetings with the President of the Republic, had continuous contact with representatives of the CTO and held high level meetings with the relevant ministers, party leaders, parliamentary committees, trade union representatives and other figures.

Meanwhile it sent out regular circulars to its members giving them guidance. It convened four Extraordinary General Meetings. At these the various problems were examined and resolutions were passed to tackle the unfavourable prospects for tourist arrivals in 1993, the inadequacy of the CTO advertising budget, the diminished competitiveness of the tourist product, the illegal operation of unlicensed tourist lodgings, the high air fares charged by Cyprus Airways and the restrictions imposed on the licences controlling chartered flights to Cyprus.

Moreover, the CHA board had meetings with representatives of British tour operators in which the problem of payments pending to Cypriot hotels was raised. Following a meeting with the governor of the Central Bank, the Bank agreed to grant assistance in the form of local loans to the British tour operators so that they could settle their debts with Cypriot hoteliers. In addition the Central Bank decided to abolish the charge included in the forward purchase of foreign exchange, which would enable hoteliers and foreign tour operators to sell forward U.S. dollars and sterling at the same price as for spot deals.

At the same time the Central Bank accepted a long standing demand by the Association concerning foreign loans made by Cypriot hotels. It authorised the commercial banks to open accounts in foreign exchange in the name of Cypriot hotel keepers, provided they had previously obtained a licence by the Central Bank permitting foreign exchange loans.

The activities of the CHA were expanding in all directions. In a number of démarches to the relevant authorities, the Association stressed the need for a regional approach to the regulatory measures to ensure a balanced tourist development. It also proposed that the expansion of existing units should be accompanied by upgrading. Other suggestions covered protection of the environment, the elimination of illegal, unlicensed tourist establishments and the creation of ancillary tourist projects such as casinos, golf courses, sports facilities etc.

In addition to its contribution to the various advertising and promotional programmes, and its participation in various overseas tourist exhibitions, the Association took every opportunity to further the image of Cyprus abroad. Capitalising on the excellent relations it had cultivated with the international TV network CNN, which started with a complimentary commercials campaign on Cyprus just after the Gulf war, the Association managed to obtain the complimentary screening of another 100 spots of 30 seconds each at the beginning of 1993 as well. The actual cost of these spots would have amounted to U.S.\$500,000.



CTO CHAIRMAN,
 A. NICOLAOU,
 ADDRESSES THE
 14TH ANNUAL
 HOTEL
 MANAGEMENT
 SEMINAR HELD IN
 LARNACA IN 1992.



E. TAYLOR,
 H. FIELD AND
 R. KETT, THE
 THREE BRITISH
 GUEST SPEAKERS
 AT THE 14TH
 ANNUAL HOTEL
 MANAGEMENT
 SEMINAR.



MINISTER OF
 COMMERCE AND
 INDUSTRY
 T. NEMITSAS
 ADDRESSES THE
 CHA ANNUAL
 GENERAL MEETING
 IN APRIL 1992.



CNN REGIONAL DIRECTOR FOR MIDDLE EAST, NORTH AFRICA AND CYPRUS, KARIM ABDULLAH, AWARDING AN HONORARY PLAQUE TO CHA DIRECTOR GENERAL, ZACHARIAS IOANNIDES, IN APPRECIATION OF THE CLOSE AFFILIATION EXISTING BETWEEN THE TWO ORGANISATIONS IN 1992.



THE PRESIDENT OF THE CHALKIDIKI HOTEL ASSOCIATION, A. ANDREADES, GIVES A MEMORIAL GIFT TO THE PRESIDENT OF THE CHA, K. CONSTANTINOU, DURING THE COURSE OF A VISIT BY GREEK HOTELIERS TO THE OFFICES OF THE ASSOCIATION IN 1992.

In 1992 the Association received a large delegation of Greek hoteliers, members of the Chalkidiki Hotel Union, who paid a five-day visit to Cyprus accompanied by tourist and local government officials. The Association organised a joint workshop at which views and experiences were exchanged on various subjects of interest to the hotel industry.

As an indication of its strong objection to the stand taken by the Association of Cyprus Travel Agents (ACTA) on various issues, but particularly on the vexed question of unlicensed tourist units — a practice that runs counter to the interests of hoteliers — the CHA decided to suspend its affiliated membership of ACTA.

At the Association's Annual General Meeting, and following a recommendation by the board, Andreas Evryviades was declared an Honorary President of the Association. Evryviades had been a member of the CHA board since 1951 and had served as president for 12 consecutive years (1972-1984).

In 1992, following long and arduous negotiations, the three-year Collective Agreement regulating the salary scales and terms of employment for hotel staff was renewed. Despite the



THE PRESIDENT OF THE CHALKIDIKI HOTEL ASSOCIATION, A. ANDREADES, PROUDLY HOLDING A SILVER PLATE FEATURING THE EXCAVATED KYRENIA SHIP, GIVEN TO HIM BY THE CHA PRESIDENT, K. CONSTANTINOU, IN 1992. FROM LEFT CHR. HADJIOSSIF, M. KANOTAS (PREFECT OF CHALKIDIKI), A. ANDREADES, Z. IOANNIDES, K. CONSTANTINOU AND A. NIKITAS.

intensive efforts made by the Association and its grave warnings about the sharp increase in hotel operating costs, the CHA was forced to accept a proposal tabled by mediators of the Ministry of Labour in order to avoid confrontation that would have had disastrous effects on the hotel industry and the economy of the country in general. As a result of the new terms of the agreement, labour costs absorb more than 40% of the total annual turnover of an average hotel unit, whereas official studies and statistics show that the corresponding percentage in European hotels is much lower.

Upgrading the CHA role

Once again the CHA was outgrowing its office accommodation. This was due to the substantial increase in the number of Association members, which had grown to over 450, and to the versatile nature of its work in many fields at home and abroad. The Association purchased the entire ground and first floors of the block that housed its self-owned offices. At the same time work began on integrating and redecorating the two floors.

SCENE FROM THE
1992 JOINT
WORKSHOP OF THE
CYPRUS HOTEL
ASSOCIATION AND
THE CHALKIDIKI
ASSOCIATION.
FROM LEFT
M. PILIKOS (CYPRUS
EMPLOYERS
FEDERATION),
TH. KOUTANTISIS
(DIRECTOR OF THE
GREEK TOURISM
ORGANISATION
FOR CENTRAL AND
WESTERN
MACEDONIA),
M. KANOTAS
(CHALKIDIKI
PREFECT),
A. ANDREADES
(PRESIDENT OF
THE CHALKIDIKI
HOTEL
ASSOCIATION),
K. CONSTANTINOU
(PRESIDENT OF
THE CHA),
Z. IOANNIDES (CHA
DIRECTOR
GENERAL)
V. BASSILAKIS,
A. NICOLAOU
(PRESIDENT OF
THE PAPHOS
COMMITTEE OF
THE CHA) AND
A. PAPAGEORGHIOU
(CTO).



Always keen to widen its horizons, the Association was accepted as an affiliate member of the World Tourism Organisation in 1992, a membership that was subsequently ratified by the WTO's Annual General Meeting in 1993.

Following the effects of 1991 and the Gulf crisis, Cypriot hoteliers realised that their only chance of picking up business in the deflated post-war climate was to reduce their prices substantially and to yield other concessions to their cost. As a result, 1992 was a record year for tourist arrivals, exceeding the 1.9 million mark. However, the bulk of these tourists were from lower income groups contrary to previous years' experience, a development which only added to the industry's woes.

1992 ended on a reassuring note with significant recognition for the Cyprus hotel industry. Thomson, the largest British holiday organisation, gave 20 of its golden awards to Cypriot hotels. A highly respected reward given to some of the world's best hotels, the awards in essence constituted a tribute to the entire hotel industry in Cyprus, re-confirming once again its international reputation for its high standards.

Presidents of the Cyprus Hotel Association

Georghios H. Skyrianides (1941-1970)



Georghios H. Skyrianides was born in Limassol in 1908 and grew up in a hotel environment, as his father was one of the first hotel owners at Platres village.

Despite the misgivings of his family and the general perception of the hotel industry at the time, Skyrianides studied at the Professional School of Lausanne. He built the Forest Park Hotel at Platres and was the first Cypriot hotelier with training and background in the hotel trade, including experience in Europe. Subsequently the board of the British professional hotel association (HCIMA) made him a fellow of their association.

Early in his career, Skyrianides had the aim of establishing Cypriot hotel keepers as a united body, and in 1941 he founded the Cyprus Hotel Association (CHA). He served as President of the Association until 1970.

Skyrianides showed himself to be a hard working and shrewd President who persuaded the colonial administration to approve legislation to protect the hotel keepers' profession and to establish the Hotels Board, of which he was a member for more than 25 years. He also persuaded the government to grant hoteliers certain privileges, such as exemption from customs tariffs, loans and the establishment of a hotel school.

George Skyrianides is the driving force behind and a founding member of the Cyprus Hotels Company, which built the Ledra Palace Hotel in Nicosia in 1949. He also made a significant cultural contribution as a member of the Platres Improvement Board, while inspiring various important festivals and events, such as the annual Limassol Wine Festival. He is the author of the "History of Cyprus Hotels".

When he stood down as President of the CHA, Skyrianides was awarded the title of Honorary President by the General Meeting of the Association.

Andreas C. Catsellis (1970 -1972)



Andreas C. Catsellis was born in Kyrenia in 1925. After graduating from the Kyrenia Gymnasium, he studied for a year at the American Academy of Larnaca. He subsequently studied political science at Princeton University, New Jersey, and Hotel Management at Cornell University, New York.

In 1950 he returned to Cyprus and served as manager of the Catsellis Dome Hotel and the Seaview Hotel in Kyrenia until the Turkish invasion of 1974. After the invasion he went to Athens where he worked as manager of the Montparnasse Hotel from 1975 to 1978.

From 1979 to 1983 Catsellis managed the Miramare Hotel in Limassol and from 1984 to this day he has been the manager of the Dome Hotel at Ayia Napa.

He served as a member of the Kyrenia Municipal Council during the 1950's, and after Cyprus' independence he was appointed to the boards of the Cyprus Telecommunications Authority and the Cyprus Development Bank.

From 1962 to 1972 Catsellis served as a member of the Cyprus Hotel Association, and from 1970 to 1972 he was the President of the Association.

Andreas O. Evryviades (1972 - 1984)



Andreas Evryviades was born in Larnaca in 1918. He graduated from the Kalogeras School and the Pancyprian Commercial Lyceum of Larnaca, and went on to study advanced accounting, English and French.

In 1974, together with his brother and sister, Evryviades founded the Wideson Bros Company and turned their family home on Larnaca seafront into a hotel. He managed this hotel, the well known "Four Lanterns", for 42 years until the end of 1988.

A board member of the Cyprus Hotel Association for more than 30 years, Evryviades served as its president from 1972 to 1984. From 1984 to 1990 he served as President of the Larnaca Committee of the CHA, which arranged a special ceremony in 1991 to award him the title of Honorary President and present him with an honorary plaque. He is also a member of various organisations and Chambers of Commerce and Industry.

From 1975 to 1984, Andreas Evryviades was a member of the Board and of the Executive Committee of the International Hotel Association.

In 1991 he was elected a member of the Larnaca Municipal Council and took over as President of the Larnaca Municipal Tourist Commission. In the same year he was appointed by the Cultural Service of the Ministry of Education as an advisor of the Cyprus State Orchestras.

In 1984 Andreas Evryviades was honoured by both the Cyprus Tourism Organisation and the Cyprus Hotel Association for his valuable services to the hotel industry and to Cyprus tourism in general. In 1992 the CHA made him an Honorary President.



Ioannis C. Archontides was born in Limassol in 1942 and graduated from the Lanition Gymnasium in 1960. He studied economics in the United Kingdom and got his B.Sc (Econ.) from London University. He undertook post-graduate studies at the International Monetary Fund Institute, specialising in economic policy and planning.

In 1969 he returned to Cyprus and worked for a short time in the Economic Research Department of the Central Bank of Cyprus before joining the Lanitis Group of Companies as an economist.

In 1971 Archontides was appointed General Manager of the hotels managed by the Amathus Navigation Company, namely the Amathus Beach Hotel, the Paphos Amathus Hotel and the Ariadne Hotel. Today he is the Chief Executive Director of Amathus Navigation Ltd. He is also Managing Director of Claridge Investments Ltd, owner of the Paphos Amathus Hotel, and on the boards of several other hotel and tourist companies.

Ioannis Archontides has served as a member of the Board of the Cyprus Hotel Association since 1974. In 1979 he was elected Vice President of the Association and during the same year as President of the Limassol Committee of the CHA. From April 1984 to April 1990 he served as President of the CHA Board. For a number of years he served on the Board of the International Hotel Association and the Executive Committee of the International Federation of Hotel Associations. He has also served for many years on various boards and committees dealing with economic matters and the hotel and tourist industry.

In May 1988 Archontides was appointed by the government as President of the International Conference Centre and in September 1989 he also took up duties as President of the Philoxenia hotel.



Kikis Constantinou was born in Famagusta in 1937 and graduated from the Greek Famagusta Gymnasium in 1955. He went on to study at the Evelpidon Military School and served as an officer in Greek army until 1968.

He has since been actively involved in the hotel industry.

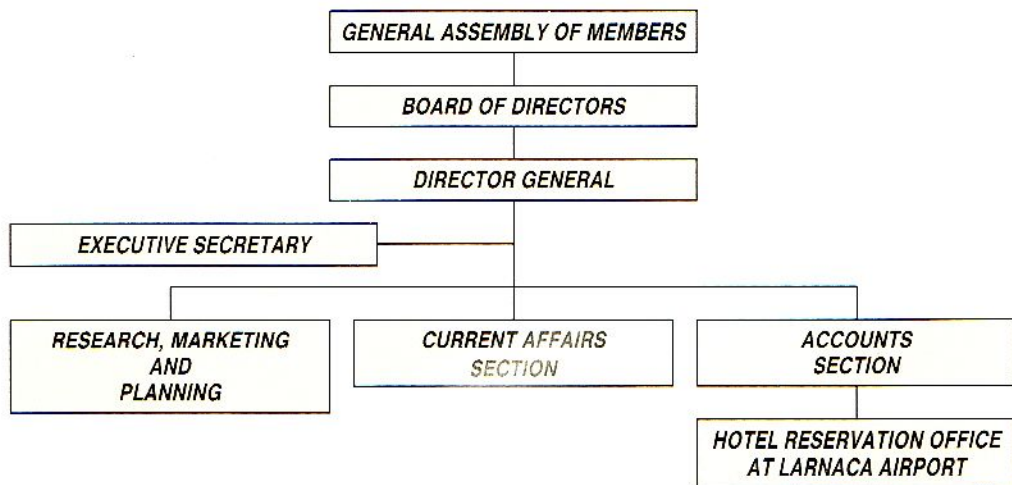
Constantinou is generally recognised as one of the pioneers of the hotel and tourist development of Ayia Napa, and a driving force behind the transformation of the town into a successful tourist destination. Before the Turkish invasion, he was engaged in tackling the various problems facing Famagusta as a tourist destination.

Constantinou is Managing Director of Ayia Napa Nissi Development Ltd, the owning company of the Nissi Beach Hotel which was the first hotel to open at Ayia Napa in 1972. He is also chairman of a number of companies dealing in tourism and development.

In 1988 he was elected a member of the board of the Cyprus Hotel Association and since 1990 he has served as the CHA President. He also sits on various committees of the International Hotel Association, and a number of others concerned with tourism and the environment.

HOW THE CYPRUS HOTEL ASSOCIATION IS ORGANISED

With a view to attaining its goals and objectives and to providing an effective service to its members, the Cyprus Hotel Association has been organised in the way appearing in the following chart:



Moreover, in each district in the government controlled areas of the island, the Cyprus Hotel Association has district committees made up of members of the CHA Board and other members from the districts. The aim of the district committees is to tackle local tourist problems.

DIRECTOR GENERAL AND THE SECRETARIAT OF THE CHA

DIRECTOR GENERAL

Zacharias Ioannides

EXECUTIVE SECRETARY

Fabiola Housard

CURRENT AFFAIRS SECTION

Dora Kapsis

RESEARCH, MARKETING & PLANNING SECTION

Katia Georgiades

ACCOUNTS SECTION

Georghios Georghiou

Kyriacos Costi

SECRETARIAL STAFF

Elli Stephanou

Kyriacos Iacovides

Pepa Prokopiou

HOTEL RESERVATION OFFICE LARNACA AIRPORT

Nitsa Douglas

Andreas Geotelekian

LEGAL ADVISORS

Tassos Papadopoulos & Associates

AUDITORS

Costouris, Michaelides & Associates