

**Question for written answer E-001707/2024  
to the Commission**  
Rule 144  
**Costas Mavrides (S&D)**

**Subject:** Provision imposing restrictions on commercial operations in the port of Larnaca and the payment of state compensation to a private company and whether this is in breach of European legislation

In 2016, the Cypriot Government in power at the time signed a concession contract with a private company (concessionaire) that would take over the management of the port of Limassol. Provision was made for compensation to be paid by the State to the concessionaire in the event that commercial activity in the other port, Larnaca, were to surpass 900 000 tonnes of trade. On the basis of this provision, the Cypriot Government paid the concessionaire EUR 3 354 449 in 2023 alone, while the total amount already borne by the Republic of Cyprus – and therefore the taxpayer – is much higher.

Not only is this provision not in the public interest, it also caps operations in the port of Larnaca, which, on the one hand, limits government revenue and, on the other hand, benefits a private company. According to reports, competent authorities such as the Audit and Law Offices of Cyprus, as well as the Commissioner for State Aid, had initially expressed reservations and/or objections, in addition to which, the European Commission was not informed as required under European legislation. The competent ministry has recently also expressed similar reservations.

In view of this, can the Commission answer the following:

To what extent is such a provision in breach of European legislation on state aid and unfair competition?

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