



# How the Cypriot Treasury sustained operations during lockdown

21 May 2020: Rea Georgiou, Accountant General of Cyprus, tells ICAEW Insights about the coronavirus measures her country has put in place and how her team worked to minimise disruption to the island nation's finances.

On 23 March, the authorities in the Republic of Cyprus decided to shut down the country as a result of the COVID-19 pandemic. At 6pm the next day, Cyprus went into lockdown. But long before the 24 of March, Rea Georgiou, the Accountant General of Cyprus and the Head of the Treasury of the Republic, together with her team, had devised a plan that would enable the Treasury to continue to operate in lockdown, "to ensure that not a single payment is missed and that all our projects currently underway are progressing seamlessly".

"Certainly, a great deal of pressure has been placed upon me as the Accountant General of Cyprus, but with good faith and commitment exhibited from all sides, we collectively managed to overcome most obstacles and to sustain the Treasury's operations," Georgiou says.

## **A raft of measures**

Along with managing existing projects, Georgiou has also been busy overseeing a raft of measures the government has introduced to support businesses and citizens through the pandemic. These include a Business Suspension Scheme to avoid making staff redundant, the provision of a partially subsidised Special Leave for working parents who need to stay home and look after their young children, a Small Businesses Support Scheme, special support measures towards the Health and Tourism sectors, the repatriation of students and other eligible Cypriots situated abroad, the granting of a special subsidy to those students who decided to stay abroad, a postponement of VAT payments until November for a single fiscal quarter, and, for certain businesses, the option for borrowers to suspend the payment of loan instalments for nine months.

"We, in our capacity as the Treasury of the Republic, are contributing towards this collective effort to support the local economy by ensuring that the execution of all accounting work across the government is carried out in a smooth and uninterrupted manner," she explains.

Georgiou is achieving this by providing cashflow analyses and other targeted reports about the economic effects of the coronavirus to decision-makers. In the Treasury's capacity as the competent authority for public procurement, Georgiou is also working to sustain the public procurement function, thus enabling public contracts to go ahead under these extraordinary circumstances.

The Treasury is also seeing to it that all governmental bodies pay invoices on time, in an effort to increase market liquidity, while also contributing to the amendment of the Law to allow video conferencing between institutional bodies, "something that wasn't permitted before and which has greatly facilitated the continuation of the government's operations".

### **Solutions for avoiding disruption**

The Treasury, under Georgiou's direction, has identified the areas in financial management that could benefit from technology and has swiftly implemented processes to allow either automation or remote operation or both.

Behind the scenes, Georgiou has used a combination of video conferencing software (such as Skype and WebEx), e-mail, telephone, and the government's Office Automation System (e-OASIS), to stay in close contact with all her associates and keep on working "in a virtually undisrupted manner".

"Our newly-formed Deputy Ministry of Research, Innovation and Digital Policy had a catalytic role to play in setting up our digital infrastructure in a swift and effective manner, thus enabling the public service to operate remotely while in lockdown," she says.

Indeed, Georgiou says she has managed to minimise and "even eliminate any negative impact that the coronavirus may have brought about on my working life".

### **Drastic measures needed post-coronavirus**

Despite having achieved a relatively undisrupted operation up to now, she says "the biggest challenges are yet to become visible".

"After the coronavirus battle has been won and the world returns to normality, we will be called to take stock of the economic damage the pandemic has left in its wake, and act accordingly," the Accountant General cautions.

“Since the coronavirus pandemic is detrimentally impacting the GDPs and the economies of virtually all the countries in the world, it is universally expected that drastic measures will need to be implemented by governments worldwide to counter the adverse economic effects that this global health crisis will bring about.”

Looking to the future, however, Georgiou says that the lockdown has illustrated how we can deploy more technologies in the workplace. “I see teleconferencing gaining ground as a practice that will come to replace physical meetings to a great extent once things get back to normal. As such, this is certainly something that can stay in our work tools’ arsenal once the pandemic ends.”

For the present, though, the urgent need to keep the Treasury up and running, providing financial management support to the whole of the government, has led to the implementation of new, innovative ways of working remotely while maintaining high levels of capacity.

For those still in lockdown, Georgiou recommends having an established routine in place to help cope with this new normal of working from home. She also suggests that ICAEW members stay abreast of all the latest developments in our profession, and especially any guidance issued by regulators, standard-setters and professional bodies, “so as to be able to successfully adapt to the ever-changing accounting, financial and economic landscape”.

“Keep at the back of your mind that there is light at the end of the tunnel and that this too shall pass, hopefully sooner than later,” she concludes.