Cyprus: Laiki Bank and Bank of Cyprus Restructuring, 2013

Stella Schaefer-Brown
YPFS, Yale School of Management

Follow this and additional works at: https://elischolar.library.yale.edu/journal-of-financial-crises

Recommended Citation
Available at: https://elischolar.library.yale.edu/journal-of-financial-crises/vol6/iss1/5

This Case Study is brought to you for free and open access by the Journal of Financial Crises and EliScholar – A Digital Platform for Scholarly Publishing at Yale. For more information, please contact journalfinancialcrises@yale.edu.
READERS TAKE NOTICE:

As of April 2024, the YPFS Resource Library’s site domain has changed to https://elischolar.library.yale.edu/ypfs-financial-crisis-resource-library/.

Please be aware that upon clicking any of the URL references to the former Resource Library domains, either https://ypfs.som.yale.edu or https://ypfsresourcelibrary.blob.core.windows.net/, in the "References/Key Program Documents" section of a case study, readers will encounter a "page not found" error.

Readers can still retrieve a given resource cited within this case study on the new site by searching here for the title cited.
Cyprus: Laiki Bank and Bank of Cyprus Restructuring, 2013

Stella Schaefer-Brown

Yale Program on Financial Stability Case Study
March 28, 2024

Abstract

In 2011, Cyprus’s second-largest bank, Marfin Popular Bank—later renamed Cyprus Popular Bank but commonly known as Laiki Bank—lost billions of euros on Greek government securities when the European Union decided to haircut Greek government bonds. This damaged Laiki Bank’s equity and shut its access to market liquidity. In late 2011, supervisors estimated the bank’s capital shortfall at EUR 3.1 billion. As Laiki Bank faced severe liquidity problems from depositor withdrawals, the Central Bank of Cyprus (CBC) began to extend emergency liquidity assistance (ELA) to the bank in October 2011. In January 2012, the bank submitted a recovery plan to the CBC that included EUR 1.8 billion of capital raised from private investors; when Laiki Bank was unable to raise private capital, it asked the government to inject EUR 1.8 billion. The government agreed and, on June 30, 2012, acquired EUR 1.8 billion in new common shares by issuing an unfunded sovereign bond to Laiki Bank. As a result, the government held 84% of Laiki Bank’s share capital. Without the government bond, Laiki Bank would have reported negative equity. In 2013, to satisfy the conditions for sovereign aid from the European Central Bank (ECB), European Commission, and International Monetary Fund, and after the ECB implemented a decision to cease providing ELA to Laiki, the CBC put the bank into resolution. In resolution, the bank transferred most of its assets, insured deposits, and some uninsured deposits to the Bank of Cyprus, the country’s largest bank, which the government also restructured. The bank sold its Greek assets and deposits to Piraeus Bank, one of the largest Greek banks. The government also seemingly wrote off its entire EUR 1.8 billion investment in Laiki Bank. The government had to resolve and restructure Laiki Bank because the ECB’s decision would have put it into bankruptcy, and neither the existing Cypriot Deposit Protection Scheme nor the government itself was equipped to cover all of Laiki's insured depositors. In January 2017, the Bank of Cyprus fully repaid its ELA and was admitted to listing and trading on the London Stock Exchange. As of 2021, the liquidation of Legacy Laiki appeared to still be in progress.

Keywords: bail-in, Bank of Cyprus, Cyprus, Laiki Bank, resolution

---

1 This case study is part of a Yale Program on Financial Stability (YPFS) selection of New Bagehot Project modules considering bank resolutions and restructurings. A survey of all the cases in this series (McNamara et al. 2024) and the individual cases underlying it are available from the Journal of Financial Crises at https://elischolar.library.yale.edu/journal-of-financial-crises/vol6/iss1.

2 Research Associate, YPFS, Yale School of Management. The author thanks Loukas Kaskarelis and Wim Van Aken from the European Stability Mechanism (ESM) for their helpful comments and suggestions.
Overview

This module describes the restructuring of two Cyprus banks, Marfin Popular Bank—later renamed Cyprus Popular Bank but commonly known as Laiki Bank—and Bank of Cyprus, and the resolution of Laiki Bank.

The Greek government debt crisis, which began in 2009, hit Cypriot banks hard. The two largest banks, Bank of Cyprus and Laiki Bank, lost EUR 1.8 billion and EUR 2.3 billion (USD 2.40 billion and USD 3.07 billion), respectively, on their Greek government bonds after the European Union (EU) decision in October 2011 to haircut Greek government bonds (EC 2012). Beginning in October 2011 and lasting until the bank's resolution in 2013, Laiki Bank received collateralized loans from the European Central Bank (ECB) and emergency liquidity assistance (ELA) from the Central Bank of Cyprus (CBC) to make sure the bank could continue to fund itself as depositors withdrew their funding (CBC 2013f).

In late 2011, in response to the crisis, the European Banking Authority identified a EUR 1.97 billion capital shortfall at Laiki Bank in a stress test of 71 banks across Europe using numbers from September 2011 (CBC 2011; Laiki Bank 2012c). Supervisors later raised that estimate to EUR 3.1 billion. In January 2012, Laiki Bank presented a recovery plan to the CBC that included deleveraging, a voluntary exchange offer to bondholders, and a capital increase of EUR 1.8 billion through private investors (CBC 2013f; Laiki Bank 2012c). When the bank failed to raise capital from private investors, the government agreed in May

Key Terms

| Purpose: The purpose of the resolution of Laiki Bank and the restructuring of Bank of Cyprus was to “address the exceptional challenges that Cyprus [was] facing and restore the viability of the financial sector” (Eurogroup 2013b, 1) |
| Size and Nature of Institution | Laiki Bank and the Bank of Cyprus were the two largest banks in Cyprus; as of 2013, Bank of Cyprus had EUR 15 billion in deposits; as of March 2012, Laiki Bank had EUR 20 billion in deposits and, as of March 2013, EUR 6.4 billion of insured deposits |
| Source of Failure | Impairments of the banks' Greek government bonds and deposit outflows |
| Start Date | March 25, 2013 |
| End Date | July 30, 2013 |
| Approach to Resolution and Restructuring | Purchase and assumption transaction in which most assets and insured deposits of Laiki Bank were transferred to the Bank of Cyprus and the Greek branches of both banks were sold to Piraeus Bank; the bondholders and shareholders of both Cypriot banks were completely bailed in, and the uninsured deposits of both banks were partially bailed in |
| Outcomes | As of January 2017, Bank of Cyprus had repaid its ELA and was admitted to list and trade on the London Stock Exchange (continued) |

3 Per Bloomberg EUR 1.00 = USD 1.33 on October 3, 2011.
2012 to recapitalize the bank and, in June 2012 and became an 84% shareholder (Noonan 2013).4

In August, officials from Laiki Bank submitted a restructuring plan to the CBC that would (1) create a “good” bank, separating nonperforming loans into a “bad” bank, and an asset management company; and (2) force losses on senior bondholders while protecting depositors. But the government amended the plan in response to feedback from the European Union and International Monetary Fund (IMF). The new plan was to put the healthy parts of the bank into a new subsidiary that could be sold once separated from the bank’s Greek branch. But this plan also failed, as depositors continued to pull their funds, partly due to concerns that the government would impose haircuts on depositors (CBC 2013f; Noonan 2013). Over the course of 2012, Laiki Bank lost EUR 2 billion in deposits in its Greek branch and one-third of its domestically raised deposits (IMF 2014). These outflows significantly reduced the amount of liability holders available to share losses in the bail-in when the bank was ultimately restructured (Dübel 2013).

In early 2013, ECB authorities estimated that the recapitalization needs of Bank of Cyprus and Laiki Bank were EUR 8 billion, approximately 44% of the GDP of Cyprus. Also in early 2013, the EU and the IMF encouraged the government to downsize the banking sector because it would not be able to afford a recapitalization (Draghi 2015). In March 2013, the ECB threatened to withdraw its approval of ELA to Laiki Bank, putting further pressure on the government to agree to terms of a bail-out by the troika (CBC 2013f).

Throughout this time, Cypriot authorities were in negotiation with the troika—IMF, European Commission (EC), and ECB—for a bail-out deal for the government (CBC 2013f). There would have been precedent for the troika to protect all depositors, since it had done so in other countries and Laiki Bank’s recapitalization needs stemmed from the EU’s decision to haircut Greek government bonds (Association of Cyprus Banks 2013). But the troika made it a condition of its assistance that Cyprus rescue the two banks without official funds, which required Cyprus to impose substantial losses on depositors (Eurogroup 2013b).

On March 15, 2013, the finance minister of Cyprus negotiated a controversial resolution plan for the two banks. This deal involved Cyprus raising EUR 5.8 billion through a tax on all banking sector deposits, including a 9.9% tax on uninsured deposits and a 6.75% tax on insured deposits (Noonan 2013; O’Brien 2013). This plan was rejected by the Cypriot Parliament on March 19 (IMF 2014).

\[\text{Notable Features}\]

| The terms of the restructuring were largely dictated by the IMF, EC, and ECB, which withheld both ELA for the bank and a EUR 10 billion sovereign aid package until the government worked out a restructuring with significant bail-in; this featured the bail-in of most uninsured depositors and bondholders |

---

4 A full account of the ad hoc capital injection provided to Piraeus Bank is detailed in Schaefer-Brown (forthcoming).
When the Cypriot Parliament rejected this plan, Cyprus reached out to Russia for help. Previously, Russia had loaned Cyprus EUR 2.5 billion, which Cyprus received in three tranches from 2011 to 2012. However, Russia did not provide Cyprus with further funds when asked for help in March 2013 (ESM 2019).

Ultimately, to satisfy the troika, Cyprus put Laiki Bank through resolution in late March. The CBC took over and coordinated the transfer of Laiki Bank’s insured deposits, along with most assets (including the EUR 1.8 billion Cyprus government bond from the June 2012 recapitalization) and some senior liabilities, through a purchase and assumption transaction to the Bank of Cyprus. The CBC also coordinated the sale of Laiki Bank’s Greek operations to Piraeus Bank (CBC 2013e; CBC 2013f). The government of Cyprus seemingly received nothing for its 84% stake in Laiki Bank as the liquidation of Legacy Laiki presumably goes first to the bailed-in uninsured depositors and estimates have put the value of the Legacy Bank well below fully repaying depositors. Laiki Bank’s uninsured depositors have remained in the legacy bank as it has been liquidated. The legacy bank received 18% of the share capital of the restructured Bank of Cyprus as compensation. Uninsured depositors ultimately received about 6 cents on the euro (Cyprus Mail 2019; Dübel 2013). The European Stability Mechanism (ESM) argued that the government had managed to resolve the bank with minimal use of taxpayer money through a full bail-in of shareholders and bondholders and a partial bail-in of uninsured deposits (ESM 2013).

At the same time, the government recapitalized the Bank of Cyprus by bailing in its shareholders and bondholders and converting nearly half of its uninsured deposits into equity; Bank of Cyprus depositors received about 81% of the equity of the restructured Bank of Cyprus. Immediately following these measures, the Bank of Cyprus had an adequate common equity Tier 1 ratio of 12% (ESM 2013). On July 30, 2013, the Bank of Cyprus announced that the recapitalization process was complete (BoC 2013).

On March 25, 2013, the EU and IMF announced an agreement to provide EUR 10 billion in financial assistance to Cyprus through the first quarter of 2016 (Eurogroup 2013b; ESM 2013). The troika estimated that Cyprus needed approximately EUR 17 billion, but since this was about the size of the Cypriot GDP and was therefore unsustainable, the troika settled on a EUR 10 billion aid package (ESM 2019). As a condition for aid, the troika stipulated Cyprus could not use these funds to recapitalize Laiki Bank or Bank of Cyprus (Eurogroup 2013b). Cyprus ultimately drew EUR 6.3 billion from the ESM and EUR 1 billion from the IMF (ESM n.d.).

The Bank of Cyprus fully repaid its ELA in January 2017 (BoC 2017b). Later in January 2017, the Bank of Cyprus was admitted to listing and trading on the London Stock Exchange (BoC 2017a). A Reuters article from January 2017 categorized Bank of Cyprus’s first public issue since the 2013 bail-in as a strong indicator that the Bank of Cyprus turnaround story had won over investors. A Bank of Cyprus official stated the bank had made “tremendous progress,” citing its repayment of ELA and inflows of cash deposits (Gledhill 2017). As of 2021, the liquidation of Legacy Laiki appeared to still be in progress (Hazou 2021). Figure 1 shows a timeline of key events in this intervention.
Figure 1: Timeline of the Restructuring of Bank of Cyprus and the Resolution of Laiki Bank

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Supervisors identify a EUR 3.1 billion capital shortfall at Laiki Bank.</td>
</tr>
<tr>
<td>October 2011</td>
<td>Laiki Bank begins receiving ELA from the CBC and collateralized loans from the ECB.</td>
</tr>
<tr>
<td>January 20, 2012</td>
<td>Laiki Bank submits capital plan to the CBC.</td>
</tr>
<tr>
<td>April 2, 2012</td>
<td>Laiki Bank board of directors approves capital plan.</td>
</tr>
<tr>
<td>May 16, 2012</td>
<td>The CBC confirms the systemic importance of Laiki Bank in a letter to the EC.</td>
</tr>
<tr>
<td>May 18, 2012</td>
<td>The minister of finance issued a decree allowing for Laiki Bank’s share capital increase.</td>
</tr>
<tr>
<td>May 22, 2012</td>
<td>Laiki Bank issues a prospectus for its share capital increase.</td>
</tr>
<tr>
<td>June 2012</td>
<td>The Cypriot government injects EUR 1.8 billion into Laiki Bank.</td>
</tr>
<tr>
<td>June 25, 2012</td>
<td>Cyprus requests aid from the troika.</td>
</tr>
<tr>
<td>August 2012</td>
<td>Laiki Bank officials submit a restructuring plan.</td>
</tr>
<tr>
<td>March 2013</td>
<td>Laiki Bank stops receiving ELA from the CBC and collateralized loans from the ECB.</td>
</tr>
<tr>
<td>March 25, 2013</td>
<td>The EU and the IMF announce a EUR 10 billion aid package for Cyprus.</td>
</tr>
<tr>
<td>July 30, 2013</td>
<td>Bank of Cyprus announces that it has completed its recapitalization through the bail-in of shareholders, bondholders, and some uninsured deposits.</td>
</tr>
<tr>
<td>January 2017</td>
<td>Bank of Cyprus fully repays its ELA and is admitted to listing and trading on the London Stock Exchange.</td>
</tr>
</tbody>
</table>

Sources: BoC 2013; BoC 2017a; BoC 2017b; CBC 2013f; Eurogroup 2013b; EC 2012; ESM 2013; Laiki Bank 2012a; Laiki Bank 2012c; Noonan 2013.

Summary Evaluation

Cyprus commentators at the time noted that the troika required Cyprus to impose losses on depositors in Cyprus as a condition for aid, after protecting them in other countries. “It is important to point out that the bank recapitalization needs originated after the October 2011 EU political decision to apply a haircut on Greek Government Bonds,” the Association of Cyprus Banks wrote in its 2012–13 annual report. The same annual report stated that “the haircut wiped out EUR 4.5 billion from the capital of the three largest Cypriot banks” and that “despite the loss caused by that decision, the troika insisted that the EUR 5.8 billion required for the recapitalization of [Laiki Bank and Bank of Cyprus] would be extracted from private sources (bail-in)” (Association of Cyprus Banks 2013, 22).

There was widespread criticism of the troika’s first proposal, which would have imposed a tax on insured as well as uninsured deposits at all Cyprus banks, from diverse sources such
as the UK chancellor, the Russian president, and the *Wall Street Journal* editorial board (O’Brien 2013; WSJ 2013; Waterfield and Squires 2013).

There was also controversy over the central bank’s decision to allow Laiki Bank, when it was known as Marfin Popular Bank, to convert its Greek subsidiary into a branch in 2011. According to an investigative report prepared for the CBC in March 2013, it would have been easier to ring-fence a subsidiary’s assets and liabilities, which would have limited Cyprus’s official exposure when it resolved and took over Laiki Bank. However, the report noted that the CBC did not have legal authority to block the conversion at the time (A&M 2013).

A report from the CBC on March 30, 2013, immediately following the resolution of Laiki, defended the actions of the governor of the central bank in resolving the bank. The report said that given the political decisions of the Eurogroup, the governor “prevented a disorderly bankruptcy of Laiki and consequently the country itself” through his “timely statements and actions” (CBC 2013f).

Around the same time, in April 2013, the president of Cyprus criticized the governor of the central bank, saying that the governor had “failed to regulate” the banking system effectively (Kambas 2013). Laiki Bank continued to receive ECB ELA throughout 2012 despite being insolvent. Then, the “ECB’s warning that it would pull the plug on ELA to Cyprus’ banks” forced Cyprus into accepting “tough rescue terms” (Kambas 2013). The president highlighted the governor’s decision not to annul the ELA to Laiki Bank and his aim of holding elections in February 2013 as evidence of the governor’s failing to effectively regulate and supervise the banking system (Kambas 2013). The president of Cyprus also launched a study on what caused the collapse of the Cypriot economy. This study concludes that Laiki Bank was insolvent before the haircut of Greek bonds (NYT 2014).

A paper from late 2013 uses Laiki Bank as a case study and makes a few observations. One observation is that junior bond creditor participation should have been prioritized before government participation in terms of recapitalization. Specifically, in 2012, when the government recapitalized Laiki Bank, the junior bond holders should have been bailed in rather than being offered a voluntary exchange of cash or new bonds at a discount. The nine-month delay between recapitalization and restructuring allowed uninsured depositors and creditors to continue to run, which reduced the amount of “bail-in-able” funds available for the resolution. An additional observation is that it may have been better to use a bridge bank instead of a purchase and assumption operation in resolving Laiki Bank. This could have bought Cyprus more time to do a more thorough asset evaluation and could have reduced the losses of Laiki Bank’s creditors. This paper notes this would have required an additional capital injection, which was an issue for Cyprus’s international investors (Dübel 2013).

The same paper notes that the transfer of ECB claims from Laiki to the Bank of Cyprus was a contentious point in Laiki Bank’s resolution plan because the Bank of Cyprus needed to come up with collateral to back the ECB loans. In June 2013, the government of Cyprus proposed unwinding this transaction and instead transferring Laiki Bank’s ECB claims and corresponding collateral to a separate unwinding unit. However, the troika rejected this plan (Dübel 2013).
A CBC presentation in May 2022 highlights issues faced and lessons learned in regard to the Cypriot financial crisis. One issue the presentation highlights is that there was an impact on the real economy and economic activity slowed down. Another issue addressed by the CBC was that the new shareholders of the Bank of Cyprus were “dissatisfied and aggrieved former depositors” who became shareholders by force (CBC 2022, 9-12). Additionally, the bailed-in deposits resulted in defaults on loan repayments, and the situation led to “thousands of court actions against” the CBC, Bank of Cyprus, and the government (CBC 2022, 9–12).

According to sources at the ESM, since the COVID-19 pandemic, Cyprus has made positive developments in terms of financial stability and debt. Cyprus regained investment-grade ratings from all major rating agencies in September 2023, which the country had lost in 2012.

The resolution and restructuring of Bank of Cyprus and Laiki Bank set a new precedent for handling a large and troubled banking sector. It moved away from the traditional approach in Europe of taxpayer-funded rescues and introduced the notion of an upfront bail-in of all bank creditors, including senior creditors. This had not been customary in the EU; previously, only junior creditors had been required to take losses. In December 2013, the European Parliament and representatives of national governments struck an agreement on the Bank Recovery and Resolution Directive (BRRD), which spells out how investors are in line to take losses when a bank fails. The move to bail-in senior bank creditors in Cyprus was part of significant changes in the banking landscape (ESM 2019).
## Context: Cyprus, Laiki Bank, 2012–2013

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td>EUR 31.4 billion as of Jun. 30 2012</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td>EUR 30.1 billion as of Jun. 30 2012</td>
</tr>
<tr>
<td><strong>Deposits</strong></td>
<td><strong>EUR 17.9 billion</strong> as of Jun. 30, 2012</td>
</tr>
<tr>
<td></td>
<td><strong>EUR 6.4 billion</strong> insured deposits as of 2013</td>
</tr>
<tr>
<td><strong>Tier 1 Ratio</strong></td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Nonperforming Loans</strong></td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Market Share</strong></td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Banking System, % of GDP</strong></td>
<td>675% as of 2012</td>
</tr>
</tbody>
</table>

## Context: Cyprus, Bank of Cyprus, 2012–2013

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td>EUR 31.0 billion as of Dec. 31, 2012</td>
</tr>
<tr>
<td></td>
<td>EUR 30.3 billion as of Dec. 31, 2013</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td>EUR 30.7 billion as of Dec. 31, 2012</td>
</tr>
<tr>
<td></td>
<td>EUR 27.6 billion as of Dec. 31, 2013</td>
</tr>
<tr>
<td><strong>Deposits</strong></td>
<td><strong>EUR 28.4 billion</strong> as of 2012</td>
</tr>
<tr>
<td></td>
<td><strong>EUR 15.0 billion</strong> as of 2013</td>
</tr>
<tr>
<td><strong>Tier 1 Ratio</strong></td>
<td>0.6% as of Dec. 31, 2012</td>
</tr>
<tr>
<td></td>
<td>10.2% as of Dec. 31, 2013</td>
</tr>
<tr>
<td><strong>Nonperforming Loans</strong></td>
<td>EUR 14.04 billion as of Dec. 31, 2013</td>
</tr>
<tr>
<td><strong>Market Share</strong></td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>Banking System, % of GDP</strong></td>
<td>675% as of 2012</td>
</tr>
</tbody>
</table>

*Sources: BoC 2014; EC 2012; ESM; Laiki Bank 2012b.*
Key Design Decisions

1. Purpose: The purpose of this resolution and restructuring was to “address the exceptional challenges that Cyprus [was] facing and restore the viability of the financial sector” (Eurogroup 2013b, 1).

The Greek government debt crisis, which began in 2009, hit Cypriot banks hard. In 2011, Bank of Cyprus and Laiki Bank lost EUR 1.8 billion and EUR 2.3 billion, respectively, on their Greek government bonds (EC 2012). In January 2012, the bank presented a plan to the CBC that included deleveraging and a capital increase of EUR 1.8 billion through private investors (CBC 2013f). When that plan failed, the government recapitalized the bank in June 2012 and became an 84% shareholder (Noonan 2013).

In August 2012, officials submitted a restructuring plan for Laiki Bank, drafted by KPMG, that involved forcing losses onto senior bondholders but not onto depositors (Noonan 2013). This plan would have involved transferring bad loans from Laiki Bank to an asset management company. However, the European Union (EU) and the International Monetary Fund (IMF) voiced concerns about whether Cyprus could “foot the bill” of a bad bank. Therefore, the restructuring plan shifted; the new plan was to put the healthy bank into a new subsidiary, which would be the bank’s main holding company (Noonan 2013).

In 2013, the recapitalization needs of Cyprus' banking system continued to be too large for the state to bear. In early 2013, the capital needs of the two largest banks, Bank of Cyprus and Laiki Bank, were approximately EUR 8 billion, which was 44% of Cyprus’ GDP (Draghi 2015). In February, following Cypriot elections, Cyprus faced increasing pressure from the European Central Bank to act quickly in addressing its struggling banking system. Before this point, Laiki Bank had been heavily relying on ECB ELA (Noonan 2013).

A new preliminary plan proposed by the troika to the finance minister of Cyprus on March 15 involved Cyprus raising EUR 5.8 billion through a tax on all banking depositors; this included a 9.9% tax on uninsured deposits and a 6.75% tax on insured deposits. This plan was rejected by the Cypriot Parliament on March 19 (Noonan 2013).

Then on March 21, the ECB’s board of directors took steps in implementing its decision to stop providing ELA to Laiki Bank. Laiki Bank would not have been able to repay the ECB quickly enough. Therefore, the central bank said that Laiki Bank would have gone through a disorderly bankruptcy and the government of Cyprus would have been required to repay the EUR 6.4 billion of insured deposits at Laiki Bank. This would have caused the bankruptcy of Cyprus itself (CBC 2013f). Given this situation, the government of Cyprus put Laiki Bank through resolution. This process involved the transfer of insured deposits to the Bank of Cyprus and the recapitalization of Bank of Cyprus. The shareholders and bondholders of both banks were bailed in, and uninsured deposits were partially bailed in (ESM 2013; IMF 2014).
2. **Part of a Package:** The Central Bank of Cyprus and the European Central Bank rolled over Laiki Bank's EUR 9 billion in ELA to the Bank of Cyprus in the restructuring.

Leading up to its resolution, Laiki Bank relied on ELA and other collateralized lending from the ECB and CBC starting in October 2011. In June 2012, the government recapitalized Laiki Bank, providing EUR 1.8 billion in an unfunded sovereign bond in return for an 84% stake in the bank (CBC 2013f). However, the government bond did not help Laiki Bank's liquidity situation because the ECB refused to accept them as collateral for ELA. Laiki Bank ultimately pledged EUR 20 billion in collateral to cover EUR 9.95 billion in official lending (Noonan 2013).

In March 2013, the ECB agreed to approve the rollover of Laiki Bank's outstanding EUR 9 billion in ELA if the authorities recapitalized the bank and agreed to a financial assistance package from the troika. In its March 25, 2013, statement announcing its agreement with the Cypriot government, the Eurogroup also noted that the ECB would provide liquidity to the Bank of Cyprus in line with applicable rules (CBC 2013f; Eurogroup 2013b).

In mid-March 2013, the CBC declared a bank holiday of approximately 10 days (CBC 2014; EC 2013). The CBC made this decision due to fears of bank runs following the March 16 announcement of the proposal to impose a tax on all Cypriot bank depositors (EC 2013; ESM n.d.; Noonan 2013). When the bank holiday ended on March 28, the banks opened with temporary capital controls and limits on deposit withdrawals, which were to be gradually lifted.

Once it had put in motion the plan to restructure the banks, Cyprus received EUR 10 billion in financial assistance from the ESM and the IMF. This assistance was not used to recapitalize Laiki Bank or Bank of Cyprus (ESM 2013).

In late 2013, following recapitalization, the Bank of Cyprus prepared an additional restructuring plan with the help of external advisors (ESM 2013). The CBC appointed Oliver Wyman as a restructuring consultant primarily to assist with the restructuring of Bank of Cyprus (Reuters Staff 2013b).

3. **Legal Authority:** To resolve Laiki Bank, the government of Cyprus needed to quickly pass a number of bills.

The resolution of Laiki Bank followed the Bank Resolution Framework outlined in the Cyprus Resolution of Credit and Other Institutions Law of 2013, which the Cypriot House of Representatives passed in March 2013. Additionally, Laiki Bank's resolution plan necessitated the Cypriot government to immediately pass a series of bills through Parliament, including the bill for the resolution of banks (Republic of Cyprus 2013; Republic of Cyprus 2015). Specifically, the bail-in of the shareholders, bondholders, and depositors was possible only due to these resolution laws (BoC 2013). One of the resolution laws enacted in March 2013 took into account the European Commission’s proposal for the BRRD. The CBC made additional decrees in its role as the resolution authority, which were
approved by the Cypriot Parliament (CBC 2013a; CBC 2013b; CBC 2013c, CBC 2013f, CBC 2022, CBC n.d).

4. Administration: The Central Bank of Cyprus acted as the resolution authority in the resolution of Laiki Bank and the Bank of Cyprus.

When the government of Cyprus recapitalized Laiki Bank in June 2012, it became an 84% shareholder, and therefore, Laiki Bank became state-owned and state-run. Based on this, when representatives from Laiki Bank refused to sign an agreement regarding the sale of their Greek branches, the Cypriot Central Bank governor signed in their stead (Noonan 2013). When the ECB’s board of directors took steps to cut off ELA to Laiki Bank, the government of Cyprus stepped in and coordinated the resolution of Laiki Bank, including the Bank of Cyprus’s absorbing Laiki Bank’s insured deposits and its subsequent recapitalization (CBC 2013f).

5. Governance: The president of Cyprus launched an investigation into the collapse of the Cypriot economy.

Following the bail-in, as discussed in the Summary Evaluation, the president of Cyprus launched a study on what caused the collapse of the Cypriot economy. This study specifically looks at Laiki Bank, using it as an indicator for the rest of the Cypriot economy. An investigative committee appointed by the Ministerial Council conducted the study by examining confidential documents from the CBC. This study concludes that Laiki Bank was insolvent before the haircut of Greek bonds (NYT 2014).


In December 2012, reports of possible haircuts for depositors caused depositors to pull their money out of the already struggling Laiki Bank (Noonan 2013). On March 26 and March 30, 2013, the CBC put out press releases announcing the resolution of Laiki Bank and then clarifying the process. These reports specifically addressed joint accounts, the bail-in of shareholders and bondholders of Bank of Cyprus, and the partial bail-in of uninsured deposits of both banks. However, these reports don’t mention the shareholders and bondholders of Laiki Bank (CBC 2013d; CBC 2013e).

As discussed in Summary Evaluation, much of the communication from Cypriot authorities in the immediate aftermath of the resolution involved disagreements about who was responsible for the problem and whether it had been successfully addressed (CBC 2013f; Kambas 2013).

The Eurogroup put out statements on March 16 and March 25, 2013, pertaining to agreements with the Cypriot government. The first emphasized the Eurogroup’s desire to reach an agreement with Cypriot authorities regarding financial assistance. The second announced the final resolution and restructuring agreement with the bail-in of shareholders and bondholders, and partial bail-in of uninsured depositors (Eurogroup 2013a; Eurogroup 2013b). On May 15, 2013, the IMF issued a press release regarding its aid to Cyprus and
discussed the “bold steps” of resolving of Laiki Bank and restructuring the Bank of Cyprus (IMF 2013).

Laiki Bank’s data reporting ended in the third quarter of 2012, and no annual report for 2012 was presented (Dübel 2013).

7. **Source and Size of Funding:** The restructuring required no new taxpayer support in Cyprus and depended entirely on bailing in shareholders, bondholders, and uninsured depositors; existing official support to Laiki Bank rolled over to the Bank of Cyprus.

The resolution and restructuring was possible due to the complete bail-in of the shareholders and bondholders of both banks and the partial bail-in of uninsured deposits (ESM 2013). If Laiki Bank had been allowed to fail and go through bankruptcy, the Cypriot Deposit Protection Scheme would have been unable to cover all of the insured deposits of Laiki Bank—the scheme had EUR 125 million and Laiki Bank had EUR 6.4 billion in insured deposits (CBC 2013f).

No official funds were used in the restructuring (ESM 2013). However, the ECB agreed to allow the CBC to roll over EUR 9 billion in ELA from Laiki Bank to the Bank of Cyprus. The Eurogroup’s March 25, 2013, statement also noted that the ECB would provide liquidity to the Bank of Cyprus in line with applicable rules (Eurogroup 2013b). The Bank of Cyprus’s 2013 annual report noted that, in August 2013, the ECB reinstated the bank for monetary policy operations. It reported outstanding funding of EUR 1.4 billion from the ECB and EUR 9.6 billion through ELA at the end of the year (BoC 2014).

One potential source of collateral with the ECB was the EUR 1 billion in government-guaranteed bonds that Laiki Bank issued in November 2012 to secure central bank funding. The Bank of Cyprus took over that debt to continue to secure central bank loans. Since the debt was both an asset and liability, the bank did not report the items on its balance sheet (BoC 2014). The option of using government-guaranteed bonds had been recommended by the ECB in July 2012 (NYT 2014).

8. **Approach to Resolution and Restructuring:** The government of Cyprus facilitated the resolution of Laiki Bank, with the Bank of Cyprus and Piraeus Bank absorbing Laiki Bank’s assets, insured deposits, and some uninsured deposits.

On March 25, 2013, a new plan emerged following pressure from the EU, and ultimately, Cyprus put Laiki Bank through resolution in late March 2013 (CBC 2013f; ESM 2013). The plan involved the insured deposits and most assets of Laiki Bank being acquired by the also-troubled Bank of Cyprus and Piraeus Bank. Figure 2 shows Laiki Bank and Bank of Cyprus’ balance sheets prior to the restructuring process.
The resolution of Laiki Bank minimized the use of taxpayers’ money with a full bail-in of shareholders and bondholders, and a partial bail-in of uninsured deposits. All deposits of EUR 100,000 or less were protected. This process involved Laiki Bank being split into two units: most uninsured deposits were kept in one unit called “Legacy Laiki,” while the insured deposits were transferred to the Bank of Cyprus along with most assets and some liabilities through a purchase and assumption transaction (ESM 2013; IMF 2014). In exchange, Legacy Laiki received shares of the Bank of Cyprus. The plan was then for uninsured deposits in Legacy Laiki to be compensated through the liquidation of the assets of Legacy Laiki, including the Bank of Cyprus shares. Laiki Bank’s Greek operations were sold to Piraeus Bank (Dübel 2013; Noonan 2013). Cypriot authorities negotiated the sale of all Cypriot banks’ Greek activities to ring-fence the Cypriot banks’ exposure to Greece. Piraeus Bank purchased all of these activities; Figure 3 shows the breakdown of these acquisitions (World Bank 2016).
After this, the Bank of Cyprus was recapitalized through the bail-in of its shareholders and bondholders, and the conversion of 47.5% of uninsured deposits (deposits of more than EUR 100,000) into equity. After this recapitalization, the Bank of Cyprus was adequately capitalized and had a core Tier 1 ratio of approximately 12%. Following recapitalization, the Bank of Cyprus created an additional restructuring plan with the help of external advisors in late 2013 (ESM 2013). On July 30, 2013, the Bank of Cyprus announced that this recapitalization process had been completed (BoC 2013). Figure 4 shows the balance sheet of the bank of Cyprus in December 2013 and the assets and liabilities from Laiki Bank.
### Figure 4: Balance Sheet for Bank of Cyprus as of December 31, 2013 (EUR billions)

<table>
<thead>
<tr>
<th>Bank of Cyprus</th>
<th>Liabilities + Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Legacy Bank of Cyprus</strong></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>0.8</td>
</tr>
<tr>
<td>Securities</td>
<td>1.0</td>
</tr>
<tr>
<td>Loans</td>
<td>13.1</td>
</tr>
<tr>
<td>Other Assets</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total BoC</strong></td>
<td>15.2</td>
</tr>
<tr>
<td><strong>Former Laiki Bank</strong></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>1.7</td>
</tr>
<tr>
<td>Securities</td>
<td>2.6</td>
</tr>
<tr>
<td>Loans</td>
<td>8.7</td>
</tr>
<tr>
<td>Receivable</td>
<td>1.2</td>
</tr>
<tr>
<td>Other Assets</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Total Laiki</strong></td>
<td>15.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>30.3</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>2.7</td>
</tr>
</tbody>
</table>

Source: BoC 2014.

Figure 5 shows the breakdown of Laiki Bank and Bank of Cyprus assets and liabilities during the resolution process.
Figure 5: Restructuring Approach for Laiki Bank and Bank of Cyprus

Source: Dübel 2013.
9. Treatment of Creditors and Equity Holders: As part of the resolution and restructuring process, the bondholders and shareholders of both the Bank of Cyprus and Laiki Bank were completely bailed in.

To minimize the cost of resolving Laiki Bank to taxpayers, its shareholders and bondholders were fully bailed in. In connection with absorbing assets and insured deposits of Laiki Bank, the Bank of Cyprus was capitalized through the full bail-in of its shareholders and bondholders. The bail-in process converted the bonds, securities, and ordinary shares into different tiers of equity (Classes B–D, respectively). The uninsured deposits were converted into Class A equity. The shares of Classes B through D would not receive voting rights or dividends until total dividends for Class A shares reached the original contribution plus interest at the three-month Euro Interbank Offered Rate (EURIBOR) plus 10% (CBC 2013e). The initial CBC decree stipulated that the different classes of shares would convert to ordinary shares at a later “reconversion date”; once this happened, all shares would receive dividends (BoC 2014; CBC 2013a). According to the Bank of Cyprus’s 2013 annual report, the reconversion took place before the end of 2013. This bail-in allowed the Bank of Cyprus to become adequately capitalized and gain a core Tier 1 ratio of approximately 12% (ESM 2013).

Legacy Laiki, the bad bank that kept most of the uninsured deposits and claims of Laiki Bank, received an 18% equity stake in Bank of Cyprus in exchange for Laiki Bank’s assets and insured deposits (IMF 2014).

10. Treatment of Clients: All insured deposits and some uninsured deposits of Laiki Bank were protected, but most uninsured deposits of both banks were at least partially bailed in.

Insured deposits of Laiki Bank were transferred either to the Bank of Cyprus or Piraeus Bank. Some uninsured depositors were also made whole. According to a March 30, 2013, statement by the CBC, the Laiki Bank deposits transferred to the Bank of Cyprus included “the entire amount of deposits belonging to financial institutions, the government, municipalities, municipal councils and other public entities, insurance companies, charities, schools, educational institutions, and deposits belonging to JCC Payment Systems Ltd” (CBC 2013e). JCC Payment Systems was the largest payments processor in Cyprus. The resolution also protected outstanding repo transactions. All Greek deposits were transferred to Piraeus Bank. All deposits within the U.K. remained at the U.K. subsidiary of the Bank of Cyprus, avoiding losses to uninsured deposits (IMF 2014). For clients with outstanding debt to Laiki Bank, there was a netting of their deposits against that debt; in other words, if their deposits exceeded the insured limit, a portion of their debt equal to their uninsured deposits remained as an asset of the legacy Laiki Bank (CBC 2013b).

When the insured deposits and protected uninsured deposits of Laiki Bank were transferred to the Bank of Cyprus, most uninsured deposits were left behind in the bad bank, Legacy Laiki. In exchange for Laiki Bank’s assets, Legacy Laiki received an 18% equity stake in the Bank of Cyprus; the uninsured deposits at Legacy Laiki were to be compensated through the liquidation of the assets remaining in Legacy Laiki, including the shares of the Bank of Cyprus.
This process continued through 2019 when the *Cyprus Mail* reported that the uninsured depositors of Laiki Bank were expected to receive 6 cents on the euro for their deposits (Cyprus Mail 2019). In 2021, the *Cyprus Mail* reported that the CBC had filed for the liquidation of Legacy Laiki on January 8 of that year (Hazou 2021).

After absorbing the insured deposits of Laiki Bank, the Bank of Cyprus was recapitalized, part of which came from the bail-in of the Bank of Cyprus’s uninsured deposits. All depositors with more than EUR 100,000 in the Bank of Cyprus had their deposits over the EUR 100,000 threshold frozen until it was determined how much capital was needed (Reuters Staff 2013a). Ultimately, 47.5% of deposits at the Bank of Cyprus over EUR 100,000 were converted into equity (ESM 2013). This included EUR 3.8 billion in deposits, which was about 25% of all Bank of Cyprus deposits and affected approximately 20,000 depositors. Following these measures, the government of Cyprus, the CBC, and the Bank of Cyprus faced thousands of unsuccessful court actions (CBC 2022).

11. Treatment of Assets: The assets of Laiki Bank were either transferred to the Bank of Cyprus or left behind in Legacy Laiki.

Before the resolution of Laiki Bank, the CBC coordinated the sale of Laiki Bank’s Greek operations (Noonan 2013). During resolution, some assets of Laiki Bank were transferred to the Bank of Cyprus along with uninsured deposits. The Bank of Cyprus received Laiki Bank’s “good assets” while Legacy Laiki kept the “dubious assets” and “bad assets” (Dübel 2013). Before resolution, Laiki Bank had EUR 31.4 billion in assets; in the resolution and restructuring process, EUR 15.1 billion in assets were transferred to Bank of Cyprus (BoC 2014; Philippon and Salord 2017). A 2013 case study of Laiki Bank states that “good assets” were transferred to Bank of Cyprus while “dubious assets” and “bad assets” stayed at Legacy Laiki. The “bad assets” were to be written off immediately while the “dubious assets” were to be written off over time (Dübel 2013). Assets that remained in Legacy Laiki once liquidated contributed to compensating the uninsured deposits that remained in Legacy Laiki (ESM 2013).

Cypriot authorities negotiated the sale of all Greek-related loans and fixed assets of Cypriot banks to ring-fence exposure to Greece. The original goal of the ring-fencing was to protect Cypriot bank assets from “Grexit” risks (World Bank 2016).

12. Treatment of Board and Management: The management of Laiki Bank and the Bank of Cyprus resigned or were replaced by the government of Cyprus.

In June 2012, when the government of Cyprus injected EUR 1.8 billion into Laiki Bank, the finance minister also appointed seven new directors to Laiki Bank (Noonan 2013). In March 2013, when Laiki Bank was put through resolution, all of Laiki Bank’s directors resigned. The management of Laiki Bank was not involved in the decision to put Laiki Bank through resolution. Reuters talked with five of Laiki Bank’s 11 directors in the weeks after resolution of Laiki Bank was announced. Some directors told Reuters that they heard the news on their local TV stations (Noonan 2013). Also in March 2013, in connection with the restructuring
of the Bank of Cyprus, the CBC appointed a special manager and removed the board of directors and senior management of the Bank of Cyprus from their posts (CBC 2022).

13. Cross-border Cooperation: The resolution of Laiki Bank was negotiated by the troika and Cypriot authorities.

The troika agreed to provide emergency loans to Cyprus; these funds were not used to recapitalize Bank of Cyprus or Laiki Bank. Leading up to March 2013, the ECB had made threats to cut off the Cypriot banks from emergency funds if Cyprus didn’t come up with a restructuring plan that was acceptable to the troika. Up until this point, Laiki Bank was heavily relying on ELA through the CBC (Noonan 2013). Then on March 21, the ECB’s board of directors took steps in implementing its decision to stop providing ELA to Laiki Bank. This led the government of Cyprus to put Laiki Bank through resolution (ESM 2013). The resolution of Laiki Bank and restructuring of both Laiki Bank and Bank of Cyprus came about as the result of a decision made between the government of Cyprus and the EU (CBC 2013f). Along with this, the ESM and the IMF approved EUR 10 billion in assistance to Cyprus (ESM n.d.).

The EUR 10 billion assistance was part of a program with four key objectives:

- Downsizing the banking system;
- Modernizing the financial supervisory framework;
- Tightening the government’s budget;
- Taking steps to fight money laundering (ESM 2019).

As discussed in the Summary Evaluation, there was controversy over the central bank’s decision to allow Laiki Bank to convert its Greek subsidiary into a branch in 2011. It would have been easier to ring-fence a subsidiary’s assets and liabilities, which would have limited Cyprus’s official exposure when it resolved and took over Laiki Bank (A&M 2013).

14. Other Conditions: The CBC specified conditions for the Bank of Cyprus’s dividend payments.

The bail-in process at the Bank of Cyprus converted the bonds, securities, and ordinary shares into different tiers of equity (Classes B through D, respectively). The different tiers came with specific dividend rules. The CBC outlined the bail-in process for the Bank of Cyprus. Uninsured deposits were converted into Class A equity, and Class B through D shares would not receive dividends until total dividends for Class A shares reached the original contribution plus interest at a rate of three-month EURIBOR plus 10% (CBC 2013e). The initial CBC decree stipulated that the different classes of shares would convert to ordinary shares at a later “reconversion date”; once this happened, all shares would receive dividends (BoC 2014; CBC 2013a). According to the Bank of Cyprus’s 2013 annual report, the reconversion took place before the end of 2013.
15. **Duration:** The resolution and restructuring process began on March 25, 2013, and the bail-in process was completed on July 30, 2013.

The troika announced the Laiki Bank resolution plan on March 25, 2013 (CBC 2013f; ESM 2013). On July 30, 2013, the Bank of Cyprus announced that the bail-in process of depositors had been completed (BoC 2013). This recapitalization adequately capitalized the Bank of Cyprus, resulting in the Bank of Cyprus having a core Tier 1 ratio of approximately 12%. As of February 2020, Cyprus had repaid its debts to the IMF. Cyprus will repay the ESM from 2025 to 2031 (ESM n.d.).
References and Key Program Documents

Summary of Program

Frequently asked questions about financial assistance in Cyprus. http://elischolar.library.yale.edu/ypfs-documents2/2063

Cyprus intervention timeline on the ESM website. http://elischolar.library.yale.edu/ypfs-documents2/2065

Legal/Regulatory Guidance


*Draft law of the law on the resolution of banks (unofficial translation by the Central Bank of Cyprus)*. 
https://ypfs.som.yale.edu/node/24605

*Law on Bank Resolution in Cyprus from 2013 (unofficial translation by the Central Bank of Cyprus)*. 
https://ypfs.som.yale.edu/node/24603

**Media Stories**

*Article about the fate of Laiki uninsured depositors.* 
http://elischolar.library.yale.edu/ypfs-documents2/2074

*Reuters article on the Bank of Cyprus comeback.* 
https://ypfs.som.yale.edu/node/24612

*Article on the liquidation of Legacy Laiki.* 
http://elischolar.library.yale.edu/ypfs-documents2/2066

*Article criticizing Cyprus’ Central Bank.* 
http://elischolar.library.yale.edu/ypfs-documents2/2067

*Article on the resolution of Laiki.* 
http://elischolar.library.yale.edu/ypfs-documents2/2069

New York Times *publication of a leaked study on the Cypriot crisis initiated by former president Nicos Anastasiades.* 
https://ypfs.som.yale.edu/node/24637
*Article on Cyprus’s tax on depositors.*
https://ypfs.som.yale.edu/node/24617/

*Article on the resolution of Laiki.*
http://elischolar.library.yale.edu/ypfs-documents2/2073

*Article on advisor appointed to aid in Bank of Cyprus restructuring.*
https://ypfs.som.yale.edu/node/24618/

*Article on the Cypriot bail-in.*
https://ypfs.som.yale.edu/node/24619/

*Editorial from the Wall Street Journal on the deal between the Cypriot government and the EU regarding the resolution of Laiki Bank and the restructuring of the Bank of Cyprus.*
https://ypfs.som.yale.edu/node/24620/

Press Releases/Announcements

*Announcement on the bail-in and resolution of Bank of Cyprus.*
http://elischolar.library.yale.edu/ypfs-documents2/2054

*Announcement from the Bank of Cyprus on its listing on the London Stock Exchange.*
https://ypfs.som.yale.edu/node/24600

*Announcement from the Central Bank of Cyprus on the EBA capital exercise.*
https://ypfs.som.yale.edu/node/24602
*CBC announcement on the resolution of Laiki Bank.*
http://elischolar.library.yale.edu/ypfs-documents2/2055

*CBC announcement clarifying the resolution measures regarding Laiki Bank and Bank of Cyprus.*
http://elischolar.library.yale.edu/ypfs-documents2/2056

*Press release from the Central Bank of Cyprus regarding the rescue of Laiki Bank.*
http://elischolar.library.yale.edu/ypfs-documents2/2057

*European Central Bank response letter to the European Parliament (translated by the ECB).*
http://elischolar.library.yale.edu/ypfs-documents2/2061

*Eurogroup statement on Cyprus.*
https://ypfs.som.yale.edu/node/24611

*Eurogroup statement on Cyprus.*
http://elischolar.library.yale.edu/ypfs-documents2/2060

*IMF press release on Cyprus.*
https://ypfs.som.yale.edu/node/24614

*Announcement from Cyprus Popular Bank.*
https://ypfs.som.yale.edu/node/24610
Reports/Assessments


Laiki Bank’s annual report from 2011.
https://ypfs.som.yale.edu/node/24615

Geneva report on bail-ins in Europe.
https://ypfs.som.yale.edu/node/23946

Piraeus Bank’s annual report for 2013.
https://ypfs.som.yale.edu/node/24616/

Key Academic Papers

Paper of bank restructuring case studies.
https://elischolar.library.yale.edu/ypfs-documents2/2059/

http://elischolar.library.yale.edu/ypfs-documents2/2115

Chapter from an ESM book on the crisis in Cyprus.
https://ypfs.som.yale.edu/node/24596

Survey of YPFS case studies examining 21st-century bank resolutions and restructuring in Europe before and after the existence of the Bank Recovery and Resolution Directive.
https://elischolar.library.yale.edu/journal-of-financial-crisis/vol6/iss1/1

Collection of essays on the financial crisis in Cyprus.
https://ypfs.som.yale.edu/node/24597