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# A CHALLENGE LOADED WITH *Opportunities*

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**What are the main reforms expected to be implemented in the legal sector in Cyprus?**

The modernisation of the legal sector is taking shape. We have already seen the establishment of two specialised courts: the Administrative Court and the International Protection Administrative Court. Pending a complete overhaul, the Civil Procedure rules have been partly amended to adjust time-consuming processes. Thirteen new District Court Judges have been appointed and judge training schemes are underway. A lot of effort is being invested in setting up the e-justice system: a digital gateway (platform) specifically formatted to serve the court system. The upcoming establishment of three new specialised courts will not only speed up the administration of justice but also improve the quality of justice. The Commercial Court will deal exclusively with commercial cases of over €2 million in value. Cyprus law can then be promoted as the governing law or *lex fori* for international

private contracts, while the English language may be opted for, if the parties so desire. This 'specialization' of the judicial system will be complemented by the creation of the new Constitutional and Appellate Courts as well as the creation of an Advisory Judicial Board. All these measures will contribute to the efficiency, effectiveness and quality of the administration of justice, which will in turn boost confidence in the justice system and have a long-term, positive impact on the country.

**How do you envision the law firms of the future? Which sectors do you expect to grow and what new services do you think will be offered to clients?**

The law firms of the future are already budding and we can project some of the anticipated changes. Law firms will differ in their composition, to include not only lawyers but also legal engineers and legal project managers, all working together to provide what I would term 'extended' legal services. Legal solutions will be provided utilising both people and technology. Rapidly developing AI, coupled with a multi-faceted team, will drive the next stage of transformation. At the same time, legal solutions can no longer be confined to knowing and conveying what the law is. Clients need lawyers to be their partners, to understand their business and offer pragmatic solutions tailored to their industry and business. The increased focus on social values, which go beyond conventional *modus operandi* based on

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profitability, requires legal solutions to be likewise mindful of, and based on, a wider matrix of social and economic considerations. Even before COVID-19, law firms were already in a period of unprecedented change brought on by advances in technology and a shifting market for legal services. The wave of lockdowns and restrictions to combat the pandemic sent a ripple through economies worldwide, that will likely be felt for years to come. Sectors that include mergers and acquisitions, restructuring, employment relationships, the environment, communications and the increased reliance on technology, have seen a rise in activity that has infiltrated the legal industry as well.

**What role do technology and digitalisation play in the Cyprus legal industry and, more specifically, at your law firm?**

It is difficult to identify an industry where technological advancements and digitalisation have not impacted its products and services. Law technology has impacted every aspect of legal services, from the law firm and corporate practice to courtroom operation and document management, and it is hoped that this impact will intensify through the e-justice implementation process mentioned earlier. Our firm was an early adopter of technological solutions that facilitate the automation of tasks. We are now exploring AI options that will ultimately free up time for our lawyers to do the two things there always seems to be too little time for: thinking and advising.

**Has the increased demand for ESG investments and growing interest in sustainability affected law firms?**

Emerging regulations and reforms designed to help meet climate change targets and to enhance corporate governance, sustainability and environmental and social responsibility are underway. ESG in itself now constitutes an emerging area of law, and one that remains complex. Law firms that have established an ESG practice base it around climate change, business and human rights, responsible investment, green/sustainable finance, and good governance.

**How do you expect the proposed common global corporate tax rate to affect Cyprus? What, if anything, can be done in order for Cyprus not to lose its competitive advantage in this area?**

A short-sighted reaction is to say that the adoption of a global corporate tax rate will greatly impact Cyprus but, in my view, it should be seen as a challenge loaded with opportunities. Cyprus has been striving for decades to establish itself as a reputable and high-quality international business centre. This development should give us the opportunity to prove that what makes Cyprus unique is not just its low corporate tax rate but a suite of economic, social and geographical advantages. The challenge is to expand the number and quality of the advantages by seeking technological excellence and fostering ESG principles in our approach.

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