

Turkish Cypriot community: Financial support instrument

In a nutshell

The Commission runs an aid programme for the Turkish Cypriot community in order to prepare for and facilitate reunification of Cyprus.

EU's multiannual financial framework (MFF) heading and policy area

Heading 4 (Global Europe)

Aid Regulation (13 07)

2014-2020 total amount programmed (in current prices and as a % of total MFF)

Commitments: €231.49 million (0.021 %)

2018 budget (in current prices and as a % of total EU budget)

Commitments: €34.47 million (0.022 %)

Payments: €26.00 million (0.019 %)

2019 budget (in current prices and as a % of total EU budget)

Commitments: €35.12 million (0.021 %)

Payments: €25.00 million (0.017 %)

Methods of implementation

Direct management (European Commission) and indirect management (United Nations Development Programme, UNDP, European Bank for Reconstruction and Development, EBRD, British Council)



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EU role in the policy area: legal basis

Cyprus joined the EU in 2004 as a de facto divided island. On 26 April 2004 the Council of the European Union expressed its [willingness](#) to 'put an end to the isolation of the Turkish Cypriot community and to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community'. In order to prepare for and facilitate reunification, the Commission has run an aid programme for the Turkish Cypriot community set out in the Aid Regulation ([Regulation \(EC\) No 389/2006](#)) adopted on the basis of [Article 308](#) of the Treaty Establishing the European Community (now Article 352 of the Treaty on the Functioning of the EU). In 2013, a Commission Implementing Decision [amended](#) the original decision in the interests of efficiency.

The programme is implemented in the areas of the Republic of Cyprus over which the Government of the Republic of Cyprus does not exercise effective control, and where application of the body of EU law – the *acquis communautaire* – is temporarily suspended pursuant to [Protocol 10](#) of the Treaty of Accession. Since [17 February 2016](#), the European Commission's Structural Reform Support Service has coordinated the work of all Commission services involved in supporting the Cyprus settlement process under the auspices of the UN. More specifically, the [Structural Reform Support Service](#) supports the European Commission President's personal representative, Pieter Van Nuffel, implements the aid programme for the Turkish Cypriot community, and monitors the implementation of the [Green Line Regulation](#).

The granting of EU assistance does not imply recognition of any public authority in those areas other than the Government of the Republic of Cyprus. The assistance programme is, however, temporary in nature, aiming to facilitate the reunification of Cyprus, and both the Aid Regulation and Council Regulation No [1311/2133](#), laying down the MFF, allow for a revision in the event of reunification.

Programme objectives

The main objectives of the programme are to offer assistance and facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community and the economic integration of the island, to improve contacts between the two communities and with the EU, and to prepare for the implementation of the *acquis communautaire*.

The recipients of assistance include local bodies, representatives of civil society, cooperatives, social partner organisations, business support organisations, bodies carrying out general interest functions in the area, local and traditional communities, associations, foundations, non-profit organisations, non-governmental organisations, and natural and legal persons.

Assistance focuses on:

- the promotion of social and economic development, including restructuring, in particular concerning rural development, human resources development and regional development;
- the development and restructuring of infrastructure, for instance in the areas of energy and transport, the environment, telecommunications and water supply;
- reconciliation, confidence-building measures, and support for civil society;

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- efforts to bring the Turkish Cypriot community closer to the EU, for instance by providing information on the European Union's political and legal order, by promoting people to people contacts and arranging Community scholarships;
- preparation of legal texts aligned with the *acquis communautaire* with a view to them being immediately applicable upon entry into force of a comprehensive settlement of the Cyprus problem;
- preparation for implementation of the *acquis communautaire*.

Action funded

According to the European Commission, between 2006 and the end of 2017, €485 million was [earmarked](#) for operations under the Aid Regulation. The amount committed in December 2017 for the 2017 annual programme was €34 836 240. Although the aid programme is managed predominantly by the European Commission, parts are managed indirectly by the UNDP, the EBRD and the British Council. At the end of 2017, a total of 274 contracts were running under the programme.

The programme supported action in the following areas.

Developing and restructuring of infrastructure

Various assistance measures in the solid-waste sector benefited both communities. For example, in [2017](#), four waste transport trucks were delivered, reinforcing the fleet available to local communities to transport waste to the central landfill site. [Since](#) 2006, 263 km of water supply distribution network has been renewed, and a 99 km sewage network built.

Promoting social and economic development

In 2015, the EU launched the Technical Assistance to the Private Sector (TAPS) project. This project is aimed at promoting private sector growth and job creation. It offers technical assistance to local bodies to prepare for the application of the *acquis* in areas linked with the development of the private sector. In addition, the delegation agreement with the EBRD to grant Turkish Cypriot companies [access](#) to credit funds and to provide capacity-building support for local business consultants was extended in 2017 with an additional €0.8 million. Businesses are also supported directly by means of grants.

In 2017, five grant contracts totalling €3 million were awarded under the fourth call for proposals for [Community Development](#). Four projects focus on improving the efficiency and quality of local community services, such as waste management and environmental protection. One project is aimed at establishing a centre for assistance to victims of domestic violence.

Since 2006, the EU has [supported](#) 138 projects for school and long-life learning. It has provided consultancy services and training for more than 1 000 businesses and entrepreneurs, as well as supporting 271 projects for rural development and local communities.

Fostering reconciliation and confidence building measures, supporting civil society

In the field of reconciliation, the EU [supports](#) local efforts by means of two EU infopoints that organise events and inform local communities. Since 2006, the EU has supported more than 60 projects in the field of dialogue organised by civil society organisations, while also providing more than 80 training sessions. The EU has also funded the restoration of more than 70 cultural heritage sites since 2006.

The EU has an indirect management arrangement with the UNDP to [support](#) the work of the Committee on Missing Persons (CMP). By the end of 2017, working with a list of 2 002 missing persons, the CMP had exhumed 1 194 sets of human remains. It was able to identify 831 of them and return them to their families.

Bringing the Turkish Cypriot community closer to the EU

Since 2006, the EU has actively [supported](#) the mobility of 1 370 students from the Turkish Cypriot community by means of EU scholarships. Since 2014, the EU has delegated the management of the mobility programme to the British Council. The €1.92 million available under the 2017 call funded 152 scholarships for the 2017/2018 academic year.

The aid programme is also involved in helping to prepare the Turkish Cypriot community to introduce and implement the EU *acquis*.

Assessment of programme/action

In 2013, the European Commission published a [report](#) evaluating the financial assistance programme for the Turkish Cypriot community. The report considered the intervention strategy and the logic applied to programming to be good. It also found that the selection of projects, setting of priorities and sequencing of assistance was good and had improved following the establishment of programming as an annual process. It stressed that improvements could be made by means of improved scheduling of assistance, more attention to risk assessment, and access to reliable statistical information. In [2018](#), the European Commission launched a new evaluation of the programme, which is on-going.

Other EU programmes and action in the same field

The aid programme falls under Chapter 13 of the EU [budget](#) on European regional development and other regional operations, together with the completion of the special programme for peace and reconciliation in Northern Ireland and the border counties of Ireland, and other regional programmes in the field of sustainable urban development, macro-regional strategies and European regional development funds.

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