



Brussels, 28.8.2017  
C(2017) 5779 final

## **COMMISSION IMPLEMENTING DECISION**

**of 28.8.2017**

**amending Commission Implementing Decision C(2014) 9366 of 12 December 2014  
adopting an Action Programme for the Turkish Cypriot community for the year 2014  
and amending Commission Implementing Decision C(2015) 8757 of 11 December 2015  
adopting an Action Programme for the Turkish Cypriot community for the year 2015  
and amending Commission Implementing Decision C(2016) 6688 of 21 October 2016  
adopting an Action Programme for the Turkish Cypriot community for the year 2016**

## COMMISSION IMPLEMENTING DECISION

of 28.8.2017

**amending Commission Implementing Decision C(2014) 9366 of 12 December 2014 adopting an Action Programme for the Turkish Cypriot community for the year 2014 and amending Commission Implementing Decision C(2015) 8757 of 11 December 2015 adopting an Action Programme for the Turkish Cypriot community for the year 2015 and amending Commission Implementing Decision C(2016) 6688 of 21 October 2016 adopting an Action Programme for the Turkish Cypriot community for the year 2016**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 389/2006 of 27 February 2006 establishing an instrument of financial support for encouraging the economic development of the Turkish Cypriot community<sup>1</sup>, and in particular Article 3 thereof,

Having regard to the Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, (hereinafter referred to as "Financial Regulation")<sup>2</sup>, and in particular Article 84(2) thereof,

Whereas:

Following the accession of Cyprus, the application of the acquis is suspended pursuant to Article 1(1) of Protocol No 10 to the Act of Accession 2003 in the areas of the Republic of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control (hereinafter referred to as 'the areas').

- (1) Pursuant to Article 3(1) of Protocol No 10, nothing in the Protocol precludes measures with a view to promoting the economic development of the areas.
- (2) Council Regulation (EC) No 389/2006 lays down the rules and conditions for the granting of assistance to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community with particular emphasis on the economic integration of the island, on improving contacts between the two communities and with the EU, and on preparation for the acquis.
- (3) By Commission Implementing Decision C(2014) 9366 of 12 December 2014<sup>3</sup> the Commission adopted an Action Programme for the Turkish Cypriot community for the year 2014, as amended by Commission Implementing Decision C(2015) 9718 of 7 January 2016 and by Commission Implementing Decision C(2016) 6688 of 21 October 2016.

---

<sup>1</sup> OJ L 65, 7.3.2006, p. 5.

<sup>2</sup> OJ L 298, 26.10.2012, p.1.

<sup>3</sup> Commission Implementing Decision C(2014) 9366 of 12 December 2014 adopting an Action Programme for the Turkish Cypriot community for the year 2014.

- (4) By Commission Implementing Decision C(2015) 8757 of 11 December 2015<sup>4</sup> the Commission adopted an Action Programme for the Turkish Cypriot community for the year 2015, as amended by Commission Implementing Decision C(2016) 6688 of 21 October 2016 and by corrigendum of 5 April 2017 to Commission Implementing Decision C(2016) 6688 of 21 October 2016.
- (5) By Commission Implementing Decision C(2016) 6688 of 21 October 2016<sup>5</sup> the Commission adopted an Action Programme for the Turkish Cypriot community for the year 2016.
- (6) The Action Programmes for the years 2014, 2015 and 2016 contain allocations to meet the different objectives of the Aid Regulation. Since elements of the strategy underlying those Action Programmes have been subject to change over time, some parts of those programmes need to be adapted.
- (7) The Action Programmes for the years 2014, 2015 and 2016 include amongst its priorities the social and economic development and infrastructure. The design and the preparatory activities for the tendering and contracting of projects in these priority areas are progressing at different paces under the various annual programmes, due to the different level of preparedness of the beneficiaries and the varying degrees of responsiveness to the technical assistance support provided, thus requiring a systematic reassessment of the priorities set.
- (8) In order to ensure the most efficient use of available resources and address the identified key and urgent needs, it is necessary to adopt an amendment to the Action Programmes for the years 2014, 2015 and 2016.
- (9) Reallocation of funds within the Action Programmes for the years 2014, 2015 and 2016 takes due account of the reassessment of needs as well as challenges faced in the implementation of the aid programme for the Turkish Cypriot community. In addition, it reinforces the targetted mature interventions where additional funds are deemed essential and implementable, whilst rearranging the existing commitments spread over several Commission Implementing Decisions into one overall allocation. This will provide a significant contribution to decreasing the number of procurement operations and improve the implementation of the Aid Programme on the ground.
- (10) Commission Implementing Decision C(2014) 9366 of 12 December 2014 (hereinafter the "2014 Decision") and Commission Implementing Decision C(2015) 8757 of 11 December 2015 (hereinafter the "2015 Decision"), as amended on 21 October 2016 include amongst their priorities the construction of a new trunk sewer in the northern part of Nicosia connecting to the new wastewater treatment plant at Mia Milia/Haspolat (hereinafter the "NTS project").
- (11) Additional financing is needed for the construction of the NTS project due to further cost increases detected at the time of tender preparation and arising from changes on the sewer main alignment to mitigate property ownership issues. The additional financing needs imply that the NTS project could not be financed as currently programmed under the 2014 and 2015 Decisions. In order to ensure the use of EU funds within the limits of the Article 189 (2) of Regulation No 966/2012 of the European Parliament and of the Council of 25 October 2012 and its sound financial

---

<sup>4</sup> Commission Implementing Decision C(2015) 8757 of 11 December 2015 adopting an Action Programme for the Turkish Cypriot community for the year 2015.

<sup>5</sup> Commission Implementing Decision C(2016) 6688 of 21 October 2016 adopting an Action Programme for the Turkish Cypriot community for the year 2016.

management, it is necessary to provide for the total indicative increased financing of EUR 11,426,757 for the NTS project, including the supervision services from the current allocation as well as from savings and reallocations under the 2015 Decision.

- (12) The 2014 Decision also includes amongst its priorities the veterinary health and metrology equipment project which requires additional financing following the most recent estimates detected at the time of tender preparation and with a view to tackle the identified needs in a comprehensive manner. The additional indicative allocation of EUR 506,454 for this project shall be made available from savings and reallocations under the 2014 decision.
- (13) The sector studies assignment implemented by the World Bank and prioritised under the 2014 Decision was initially planned to be followed through a separate pillar assessed grant agreement on economic monitoring and strategy under Commission Implementing Decision C(2016) 6688 of 21 October 2016 (hereinafter the "2016 decision"). However, in response to the growing needs for expanding the scope of the services on critical areas identified during the settlement process, allocation for this project shall be increased to a total indicative amount of EUR 4,800,000 and made available from savings and reallocations under the 2014 Decision.
- (14) The 2015 Decision includes amongst its priorities a number of projects in the area of social and economic development and infrastructure which appear currently immature and not ready for tendering, and/or lack support from the beneficiary. These interventions in the sectors of telecommunications, traffic safety, energy and fruit fly pest study shall thus be cancelled and possibly reconsidered under the future Action Programmes. An indicative amount of EUR 2,050,000 shall thus be allocated to mature projects. The same approach will prevail for the study for the Nicosia buffer Zone, that will be cancelled. The indicative amount of EUR 300,000 shall be reallocated within the 2015 Decision.
- (15) The 2015 Decision also includes amongst its priorities the solid waste project that shall not be implemented due to the poor implementation, lack of maturity, and property issues in relation to dumpsites which still remain to be resolved. This intervention for a total indicative amount of EUR 5,000,000 shall thus be reallocated within the 2015 Decision.
- (16) Funds made available from savings and reallocations under the 2015 Decision shall be used to cover the increased cost of the NTS project as well as to cover the increased needs of the project for disposal of animal carcasses and animal by-products (hereinafter the "ABP project") which is part of the disease eradication programme. Data needed for the technical specifications to complete the installation of a disposal system have been made available and this has significantly facilitated the preparation of the tender. The ABP project initially estimated at EUR 1,800,000 shall thus be withdrawn from the 2016 Decision and fully supported under the 2015 Decision with an increased indicative amount of EUR 2,400,000.
- (17) The 2016 Decision includes amongst its priorities a number of projects in the area of social and economic development which appear currently immature and not ready for tendering. These interventions in the rural development/dairy sector and education with a total indicative amount of EUR 10,800,000 shall thus be reallocated within the 2016 Decision and possibly reconsidered under the future Action Programmes.
- (18) Funds made available from savings and reallocations under the 2016 Decision shall be used to cover the increased needs of the new sewerage network in Famagusta,

originally financed under the Commission Implementing Decision C(2006) 6533 of 15 December 2006, in order to successfully address the emerged issue of necessary repairs and the related dispute with the contractor. A total indicative amount of EUR 16,600,000, including the supervision services, shall be secured in a single allocation under the 2016 Decision for this project.

- (19) Commission Implementing Decisions C(2014) 9366, C(2015) 8757 and C(2016) 6688 shall therefore be amended accordingly.
- (20) The measures provided for by this Decision are in accordance with the opinion of the IPA II Committee referred to in Article 13 (2) of the Regulation (EU) No 231/2014,

HAS DECIDED AS FOLLOWS:

*Sole Article*

The Annex to Decision C(2014) 9366 is amended in accordance with the text set out in Annex I of this Decision.

The Annex to Decision C(2015) 8757 is amended in accordance with the text set out in Annex II of this Decision.

The Annex to Decision C(2016) 6688 is amended in accordance with the text set out in Annex III of this Decision.

Done at Brussels, 28.8.2017

*For the Commission*  
*Valdis DOMBROVSKIS*  
*Vice-President*