1. **BASIC INFORMATION**

1.1 **CRIS Number:** 2003/004-643. Project 4  
1.2 **Title:** Administrative Co-operation between Cyprus and the European Union  
1.3 **Sector:** Administrative Co-operation  
1.4 **Location:** Planning Bureau, Nicosia, Cyprus.

2. **OBJECTIVES**

2.1 **Overall Objective**  
Support Cyprus’ efforts towards harmonisation with the European Union and towards preparing to exercise the rights and assume the obligations of membership.

2.2 **Project Purpose**

- Strengthen the administrative, organisational and managerial capacity of the public administration and of the private sector institutions with a view to facilitating Cyprus’ gradual and harmonious integration in the EU.  
- Promote co-operation between public and private sector institutions within the Republic of Cyprus and the EU with a view to further develop their acquaintance with EU norms and practices.

2.3 **Accession Partnership and NPAA priority**

**Accession Partnership**  
The development of adequate capacity to implement and enforce the acquis is specifically included in the priority areas identified under the different chapters of the Accession Partnership.

**National Programme for the Adoption of the Acquis (NPAA)**  
The National Programme for the Adoption of the Acquis (NPAA) updated in August 2001 focuses, inter alia, on the administrative capacity to implement and enforce the acquis effectively. Institution building requirements including the necessary associated technical assistance (recruitment of experts, training, etc) in order to enhance the existing or new institutions entrusted with the responsibility of implementing and enforcing the acquis, have been included in every chapter of the NPAA.

3. **DESCRIPTION:**

3.1 **Background and justification**

Within the framework of the accession process, Cyprus undertook specific commitments for the transposition, implementation and enforcement of the acquis Communautaire. At the same time, it is fully realised that building up an adequate administrative capacity is a process that will not end with conclusion of the accession negotiations but will have to continue up to accession and beyond, in order to keep up with the evolving needs of the acquis.
In this context, building an adequate administrative capacity to effectively implement and enforce the acquis has become a central axis in Cyprus’ harmonisation efforts. Substantial progress has already been achieved in this direction. However, the administrative capacity needs to be further strengthened in a number of areas identified in the revised Accession Partnership including free movement of goods, free movement of persons, company law, competition, agriculture, road transport, taxation, social policy and employment, regional policy, environment, justice and home affairs etc.

The close involvement of the civil society in the process of transposing, implementing and applying the acquis is also considered of crucial importance. To this end, local authorities, economic operators, social partners and NGOs need to be further familiarised with the new legal and business environment created by the harmonisation process.

The need to support and further develop Cyprus’ capacity in preparing projects for the utilisation of EU funds available to Cyprus as well as formulating relevant projects financed through other international financing institutions has also been identified.

It should be noted that institution-building needs in various sectors identified in the process of harmonisation include small-scale activities (short-term technical assistance, training, study visits, participation in meetings, etc.), which, in many cases, are difficult to be foreseen and as such require certain budgetary flexibility. The operation of an “umbrella” project such as the Administrative Co-operation will allow flexibility and speed in the implementation of institution building requirements of this nature.

3.2 Linked activities

- Two similar ‘Administrative Co-operation’ projects for the total amount of EUR 2,750,000 were promoted in the framework of the Cyprus-EC Fourth Financial Protocol. These projects proved to be a very effective instrument for delivery of multi-sectoral and ad-hoc technical assistance, including a number of Twinning/Twinning Light projects.
- Based on the above positive experience an Administrative Co-operation project for the amount of EUR 300,000, currently under implementation, was included in the 2000 Programming of the Pre-Accession Financial Regulation 555/2000.
- In order to meet the increased institution building needs in the approach of accession, an additional Twinning and Administrative Co-operation project for the amount of EUR 652,000 was included in the 2002 Programming of the Pre-Accession Financial Regulation 555/2000.
- Due to the increased needs in the field of administrative co-operation, resulting from the progress of the accession negotiations and the advancement of the harmonisation process, a number of administrative co-operation activities is financed by the Cyprus Government, through special annual budget allocations dedicated to support harmonisation with the acquis Communautaire.

3.3 Results

- Enhanced institutional and administrative capacity reflected in the effective tackling of issues identified in the course of the accession negotiations and the implementation of adequate measures resulting from the evolving needs of the acquis.
- Demonstrable increase of knowledge and expertise amongst staff members attached to both public and private sector organisations in Cyprus about EU and Member States institutions, policies, working methods and practices.
- Increased awareness of the citizens of Cyprus on the effects of enlargement including the advantages, rights and obligations of the future EU membership.
Strengthened capacity in producing acquis related studies as well as background documentation, feasibility studies, project designs, project proposals, terms of references, technical specifications, tender dossiers, etc.

### 3.4 Activities

The main activities to be executed under the current project can be summarised as:

- Implementation of Twinning (Full Twinning and Twinning Light) Projects. The main fields which are expected to benefit from the use of this instrument are Internal Market, Agriculture, Environment and Employment and Social Affairs.
- Provision of technical assistance, including:
  - Provision of expertise for the transposition, implementation and enforcement of the acquis with a view to keeping up with its latest developments;
  - Expertise in order to produce relevant background documentation, feasibility studies, project designs, project proposals, environmental impact assessments, technical specifications, terms of reference, tender dossiers, training programmes, etc.
  - Economic and Social Cohesion-Structural Funds: Technical assistance measures for preparing, implementing and monitoring Structural Funds actions.
- Participation of public sector officials and of representatives of the civil society in the EU working groups, special meetings, community committees and expert groups, and other community initiatives;
- Organisation of seminars, conferences, workshops and training sessions, in the European Union or in the Republic of Cyprus, aiming at informing, familiarising and educating the interested parties of the public and private sector on issues relating to the adoption and effective implementation of the acquis.
- Study visits to the EU Headquarters, the relevant services and organisations within the EU Member States and the international organisations, for deliberations, contacts, participation in seminars/workshops.
- Organisation of EU related promotion activities and production of related documentation and other material.
- Design and development of training material.

The project will provide both Twinning (Full Twinning and Twinning Light) support through input of public specialists from member state countries and technical assistance and training to the public sector, to local authorities and to private institutions, agencies and NGOs in Cyprus on strategic subjects and issues that are not covered through the ongoing projects and programmes.

Assistance will be delivered upon explicit request of the demanding organisation in Cyprus provided that the needs are properly identified and in accordance with the Accession Partnership and the NPAA. Requests are submitted to the Planning Bureau by the interested public and private institutions/organisations including local authorities. Applications will be evaluated according to specific criteria related to objectives, needs, requirements and anticipated benefits, in accordance with the Accession Partnership and NPAA objectives. It is evident that the selected means or instruments should be able to produce the expected results.
4. **Institutional Framework**

The Planning Bureau is the institution which co-ordinates and manages the administrative co-operation with the EU. Within this framework the Planning Bureau assumes, inter alia, the responsibility of assessing the capacity of the beneficiaries to absorb assistance, these beneficiaries being Services of the Republic of Cyprus involved in the drawing and implementation of harmonisation programmes, as well as public and private sector bodies and local authorities in need of acquainting and familiarising themselves with EU matters.

The structure and organisation of the Planning Bureau and its functions and responsibilities with respect to the relations between Cyprus and the EU, allow for the efficient management of the administrative co-operation with the EU with a view to maximise beneficial results for Cyprus.

**Structure and Organisation of the Planning Bureau**

The Planning Bureau has been in existence since 1961. It is an independent service, not falling within the domain of any Ministry. It is composed of two divisions, each one comprising a number of directorates as follows:

- **Economic Planning Division**
  - Directorate for Economic Relations with the European Union
  - Directorates for Sectoral Economic Policy, Studies and Project Evaluation (2 Directorates)
  - Directorate for Macroeconomic Policy, Research and Studies

- **Economic Co-ordination Division**
  - Directorate for the Public Development Programme of the National Budget
  - Directorate for the International Economic Relations and General Administrative Work

**Functions and Responsibilities of the Planning Bureau, with respect to the Economic Relations with the European Union**

These functions are assumed by the **Directorate for Economic Relations with the European Union**, which is responsible for the following:

- Follow up of the developments in the European Union and evaluation of the implications on the Cyprus economy from the harmonisation process and the future full membership status;
- Preparation of studies, policy positions and recommendations for the accession course and the harmonisation of relevant policies in the various sectors with those in the Union;
- Medium-term planning of all the necessary actions for the promotion of the accession course within the Strategic Development Plans;
- Co-ordination of the preparation and final formulation of the National Programmes for the Adoption of the acquis (NPAA);
- Co-ordination at a technocratic level of the preparations for the acquis screening process and the accession negotiations;
- Co-ordination of the realisation of the harmonisation process through the development provisions of the Government Budget;
- Co-ordination of the utilisation of the pre-accession aid granted to Cyprus – The Permanent Secretary of the Planning Bureau is the appointed National Aid Co-ordinator;
- Co-ordination of Cyprus participation in programmes/initiatives, agencies and committees of the European Union.

In addition to the above it is noted that the Planning Bureau has been designated as the Single Managing Authority for Structural Funds.

The beneficiary organisations (public administration, local authorities and private sector) will support the implementation of this project by assuring the necessary organisational environment, making
available the necessary personnel and by covering the cost of the national experts, the required infrastructure and equipment, and the related running and administrative costs.

For the effective management of the project a Project Steering Committee (PSC) shall be set up within the Planning Bureau immediately after the approval of the project by the Phare Committee to oversee the progress of the project and provide input where necessary.

### 5. Detailed budget

<table>
<thead>
<tr>
<th>Commission support</th>
<th>Investment Support¹</th>
<th>Institution Building²</th>
<th>Total Commission (=I+IB)</th>
<th>National co-financing³</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Co-operation activities</td>
<td>-</td>
<td>1,050.000</td>
<td>1,050.000</td>
<td>100.000</td>
<td>1.150.000</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>-</td>
<td>1,050.000</td>
<td>1,050.000</td>
<td>100.000</td>
<td>1.150.000</td>
<td></td>
</tr>
</tbody>
</table>

(1) In relation to infrastructure, equipment, software, related developments, installation, testing and documentation

(2) In relation to changes in management, procedures, legislation, enforcement, training and general activities and services as result of investments.

(3) In relation to the overhead expenses of the project which will be considered as being expended according to the payments made against the project.

### 6. IMPLEMENTATION ARRANGEMENTS

#### 6.1 Implementing Authority

The Implementing Authority will be the Planning Bureau, which is the national planning and co-ordination agency in the Republic of Cyprus, engaged with functions and responsibilities relating to the harmonisation of the Cyprus economy with the acquis Communautaire. All activities under this project will be monitored and evaluated by the Planning Bureau.

**PAO for the project:**

**Mr. Panikos Pouros**  
Permanent Secretary  
Planning Bureau  
Nicosia-Cyprus

The contact person for the project is:

**Ms Ninos Savvides**  
Director of Coordination  
Directorate for the International Economic Relations and General Administrative Work  
Planning Bureau  
Tel: +357 22406911  
Fax: +3572666810

*Project 4: Administrative Cooperation*
6.2 Twinning
For some of the identified activities under the current project, a strong appeal will be made on expertise and knowledge available within public institutions in EU Member States. The instrument to be used will be the Twinning mechanism (Full Twinning and Twinning Light).

6.3 Non-standard aspects
The project will be managed according to the Extended Decentralised Implementation System (EDIS) rules.

6.4 Contracts
Implementation of most of the activities under this project (Twinning, technical assistance, training, organisation of seminars and conferences) will follow an agreement made with EU Member States (for activities to be executed under the “Twinning mechanism”) or a contract in accordance with the Practical Guide (for technical assistance support). Before agreements are concluded, beneficiary institutions will submit a written application to the Implementing Authority (Planning Bureau). All applications will be assessed according to specific criteria relating to the objectives, usefulness and anticipated benefits of such activities.

Following the completion of the agreements the Planning Bureau will, for each specific activity, design the necessary documentation in accordance with DIS rules.

7. IMPLEMENTATION SCHEDULE

7.1 Start of tendering/call for proposals: June 2003
7.2 Start of project activity: July 2003
7.3 Project completion: December 2005

8. EQUAL OPPORTUNITY

Article 28 of the constitution safeguards the right of all persons to equality before the law, the administration and justice and of equal protection thereof and treatment thereby. Any direct or indirect discrimination against any person on the ground, i.e. of sex, is prohibited. Furthermore, the prevailing legislation with respect to equality of treatment for men and women is partly in conformity with the **acquis communautaire**. Harmonised legislation is under preparation and full compliance with the **acquis communautaire** will be achieved gradually by 1/1/2003.

The Planning Bureau which is the implementing agency of this project is an equal opportunity employer. Its human resources in permanent qualified personnel comprise twelve (12) men and twenty two (24) women.

9. **ENVIRONMENT** (N/A)

10. **RATES OF RETURN** (N/A)

11. **INVESTMENT CRITERIA** (N/A)

12. **CONDITIONALITY AND SEQUENCING**

The nature and the sequencing of each individual activity to be implemented under this project will be based, within each sector involved, on a logical approach resulting from the needs identified during the accession process and the subsequent preparation and implementation of the sectoral harmonisation programmes.

In every case, the Planning Bureau will make sure that the relevant Services will proceed on time to all the steps necessary to ensure the right pre-conditions for the success of each activity to be promoted, e.g. amendment or implementation of legislation, set up adequately staffed and equipped monitoring or implementing agencies etc. The active co-operation/consultation with all interested parties (public administration and private sector) will be secured during the implementation of each individual activity.

**ANNEXES**

1. Logical framework matrix in standard format
2. Detailed implementation time chart in standard format
3. Contracting and disbursement schedule by quarter for full duration of programme.
## Project 4: Administrative Co-operation General

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX</th>
<th>Programme name: and number:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TWINNING AND ADMINISTRATIVE CO-OPERATION</strong></td>
<td>Contracting period expires: July 2005</td>
</tr>
<tr>
<td><strong>Project Number</strong></td>
<td>Total Budget: 1,150 MEUR</td>
</tr>
</tbody>
</table>

### Overall Objective

Support Cyprus’ efforts towards harmonisation with the EU and towards preparing to exercise the rights and assume the obligations of membership.

### Project Purpose

- Strengthen the administrative, organisational and managerial capacity of the public administration and of the private sector institutions with a view to facilitating Cyprus’ gradual and harmonious integration.
- Promote co-operation between public and private institutions within the Republic of Cyprus and the EU with a view to further develop their acquaintance with EU norms and practices.

<table>
<thead>
<tr>
<th>Objectively verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Full and unconditional harmonisation by the time of accession. | • Harmonisation Monitoring System managed by the Planning Bureau. <br>• Regular Annual Reports | • Timely alignment of national legislation to the Acquis  
• Adequate availability of resources;  
• Sufficient absorption capacity within relevant institutions of interested parties;  
• Close co-operation of Planning Bureau with all interested parties |
| Improved capacity of Government officials to implement the Acquis <br>Increased awareness amongst private sector officials regarding harmonisation issues <br>Increased involvement of local government authorities in EU related affairs <br>No. of conferences, seminars, workshops organised within the project implementation period | • Sectoral harmonisation programmes (Ministries and relevant /Agencies) <br>• Harmonisation Monitoring System (Planning Bureau) <br>• Regular Annual Reports on Cyprus’s progress towards accession (Commission) <br>• Responses of the private sector representative organisations (Unions, Sector Federations, Chamber of Commerce etc.) | |
**ANNEX 1**

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable Indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Enhanced institutional and administrative capacity</td>
<td>• Harmonisation programmes implemented.</td>
<td>• Sectoral harmonisation programmes (Ministries and relevant /Agencies)</td>
<td>• Full commitment of parties involved in the exercise</td>
</tr>
<tr>
<td>reflected in the effective tackling of issues</td>
<td>• Quality of core reports, documents and legislation related to EU integration.</td>
<td>• Harmonisation Monitoring System (Planning Bureau)</td>
<td>• Adequate availability of resources;</td>
</tr>
<tr>
<td>identified in the course of accession negotiations and the implementation of adequate measures resulting from the evolving needs of the acquis.</td>
<td>• No. of conferences, seminars, workshops organised within the project implementation period</td>
<td>• Regular Annual Reports on Cyprus’s progress towards accession (Commission)</td>
<td>• Effective monitoring of the project activities</td>
</tr>
<tr>
<td>and the implementation of adequate measures resulting from the evolving needs of the acquis.</td>
<td>• Local Governments Authorities requests for participation in EU programmes</td>
<td>• Responses of the private sector representative organisations (Unions, Sector Federations, Chamber of Commerce etc.)</td>
<td>• Close co-operation of Planning Bureau with all interested parties</td>
</tr>
<tr>
<td>• Increase of knowledge and expertise amongst staff members attached to both public and private sector organisations about EU and Member States institutions, policies and working methods</td>
<td>• Strengthened capacity in producing acquis related documentation</td>
<td>• Local Government Authorities reports</td>
<td>• Proper selection of the parties and organisations involved in project activities</td>
</tr>
<tr>
<td>• Increased awareness of the citizens of Cyprus on the effects of enlargement including the advantages, rights and obligations of the future EU membership</td>
<td>• Harmonisation programmes implemented.</td>
<td>• Sectoral harmonisation programmes (Ministries and relevant /Agencies)</td>
<td></td>
</tr>
<tr>
<td>• Strengthened capacity in producing acquis related documentation</td>
<td>• Quality of core reports, documents and legislation related to EU integration.</td>
<td>• Harmonisation Monitoring System (Planning Bureau)</td>
<td></td>
</tr>
<tr>
<td>Activities</td>
<td>Means</td>
<td>Sources of Verification</td>
<td>Assumptions</td>
</tr>
<tr>
<td>• Short-term missions of experts to Cyprus for the provision of technical assistance.</td>
<td>• Twinning Mechanism</td>
<td>• Sectoral harmonisation programmes (Ministries and relevant /Agencies)</td>
<td>• Full commitment of all parties involved</td>
</tr>
<tr>
<td>• Participation of public sector officials in the EU working groups, special meetings.</td>
<td>• Technical assistance</td>
<td>• Harmonisation Monitoring System (Planning Bureau)</td>
<td>• Highly professional public sector experts can be identified</td>
</tr>
<tr>
<td>• Organisation of seminars, conferences, workshops and training sessions</td>
<td>• Financial resources</td>
<td>• Regular Annual Reports on Cyprus’s progress towards accession (Commission)</td>
<td>• Proper selection of motivated trainees to attend the training session(s)</td>
</tr>
<tr>
<td>• Study visits to the EU Headquarters, EU Member States and the international organisations.</td>
<td>• Relevant background reports</td>
<td>• Responses of the private sector representative organisations (Unions, Sector Federations, Chamber of Commerce etc.)</td>
<td>• Financial resources available in time</td>
</tr>
<tr>
<td>• Organisation of EU related promotion activities and production of related documentation and other material</td>
<td>• Training materials</td>
<td>• Local Government Authorities reports</td>
<td>• Contracting procedures well-known and used in the correct way</td>
</tr>
<tr>
<td>• Design and development of training material</td>
<td>• Conferences, seminars and workshops</td>
<td>• Sectoral harmonisation programmes (Ministries and relevant /Agencies)</td>
<td></td>
</tr>
<tr>
<td>• Audit/reviews in the context of EDIS</td>
<td>• Study visits</td>
<td>• Harmonisation Monitoring System (Planning Bureau)</td>
<td></td>
</tr>
<tr>
<td>• External expertise for the monitoring of projects</td>
<td>• Twinning Mechanism</td>
<td>• Regular Annual Reports on Cyprus’s progress towards accession (Commission)</td>
<td></td>
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<tr>
<td>Preconditions</td>
<td>• Full commitment of all parties involved</td>
<td>• Responses of the private sector representative organisations (Unions, Sector Federations, Chamber of Commerce etc.)</td>
<td></td>
</tr>
<tr>
<td>• Political commitment to EU accession continued</td>
<td>• Highly professional public sector experts can be identified</td>
<td>• Local Government Authorities reports</td>
<td></td>
</tr>
</tbody>
</table>
### DETAILED TIME IMPLEMENTATION CHART FOR THE PROJECT

**Title: Twinning and Administrative Co-operation**

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning and Administrative Co-operation</td>
<td>D D I I I I I I</td>
<td>I I I I I I I I I I I I I</td>
<td>I I I I I I I I I I I I I</td>
</tr>
</tbody>
</table>

D = Design
C = Tendering, Contracting
I = Implementation
X = Closure
# Annex 3

## Cumulative Contracting and Disbursement Schedule

**Title:** Twinning and Administrative Co-operation

*All figures in million EUR*

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Contracted</td>
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<td>0.60</td>
<td>0.70</td>
<td>0.80</td>
<td>0.90</td>
<td>1.05</td>
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<tr>
<td>Disbursement</td>
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<td>0.30</td>
<td>0.50</td>
<td>0.60</td>
<td>0.70</td>
<td>0.80</td>
<td>0.85</td>
<td>0.90</td>
<td>1.05</td>
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