2003 Project Fiche

1. Basic Information

1.1 CRIS Number: 2003/004-643. Project 7

1.2 Title: Rehabilitation of the cultural heritage of Cyprus: Nicosia Master Plan IV and restoration of Pyla

1.3 Sector: Political criteria (Bi-communal Projects)

1.4 Location: Nicosia / Pyla village (Larnaca) / Cyprus

2. Objectives

2.1 Overall Objective

The objective of supporting bi-communal projects is to contribute to economic and social development; to foster an atmosphere of relationship building where dialogue and trust are developed between the Greek Cypriot (GCC) and Turkish Cypriot (TCC) communities.

2.2 Project purpose

Objective 1
To bring the members of the Greek and Turkish Cypriot communities, to work jointly on the preparation and implementation of bi-communal projects.

Objective 2:
To support the rehabilitation and revitalisation of the Walled City of Nicosia and of the city of Pyla and to support the conservation of the architectural and cultural heritage, according to the policies and provisions of the Nicosia Master Plan

Objective 3:
To sensitize Nicosia and Pyla residents to conservation and revitalisation issues

Objective 4:
To improve the living environment of the residents of Nicosia and Pyla neighbourhoods.

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1 NB Bi-communal projects are investment, technical assistance or research projects which respond to the following requirements:
- They are prepared by experts from both communities;
- They are jointly carried out, either totally or partially;
- Partial joint implementation means that, at the minimum, regular joint meetings and exchange of information have to take place for the preparation and review of project progress;
- They address common needs of both communities based on a global island-wide perspective;
- They provide mutual benefits to both communities

Bi-communal projects are central to the success of the peace negotiations, as they contribute to the creation of an atmosphere of tolerance and mutual respect that are essential to peace efforts. They also play an instrumental role in supporting the longer-term viability of a future settlement, as they prepare the two communities to meet and work together towards minimizing disparities between them
3. Description

3.1 Background and Justification

- Since the events of 1974, inter-communal relationships have been missing for almost an entire generation of Cypriots. The absence of contacts is making both communities susceptible to misinformation and mistrust. Such a situation has deteriorated the relationship between the two sides and undermining the objective of the United Nations to bring about a comprehensive peace settlement. Although it is obvious that bi-communal contacts cannot in themselves bring a resolution to the conflict, they can contribute to the creation of a positive atmosphere of reconciliation and mutual trust, which could, in turn, facilitate direct negotiations between the leaders of the two communities. Moreover, the Security Council has urged in various resolutions that confidence-building and goodwill measures be pursued and that, more specifically, bi-communal person-to-person contacts be facilitated.

- Following the Helsinki Council decision, Commissioner Verheugen obtained the agreement of both sides to restart EU-funded bi-communal activities. The agreement was conditional on the neutrality of the implementing agency. As mentioned above, UNDP (United Nations Development Programme) is accepted by both sides as a neutral platform and has been involved since 1998 in the main bi-communal initiative, since the events of 1974, namely, the Nicosia Master Plan.

- The Nicosia Master Plan (NMP) was formulated at the request of the local authorities of both communities with UNDP and UNCHS (HABITAT) support. The NMP intended over a twenty year period to tackle the main urban issues: urban sprawl, traffic and accesses, zoning and historic preservation. The NMP identified a set of policies needed to control the city's growth and reverse trends of decay in the Walled City. In a second phase, priority projects aiming at halting physical deterioration and socio-economic disintegration in the historic core were prepared. As the European Commission has in the past contributed financially to the implementation of NMP, the proposed actions constitute the continuation of earlier support.

- The Nicosia Master Plan's urban rehabilitation schemes in the Walled City have had very positive results. In the Greek Cypriot community, favourable conditions such as significant funding, better economic environment and strong political support have allowed for the programme’s sustainability to be within reach in Chrysaliniotissa. Achievements in the Turkish Cypriot community still need strong external support but the revised implementation strategy is starting to bear fruit.

- The Nicosia Master Plan objectives are still valid today since it contributes to removing the traces of the conflict and allows citizens from both sides to return to these otherwise neglected neighbourhoods. Several projects within the Nicosia Master Plan have been implemented over the years since its inception in 1984:

  - 1984 - The EU (CEE at that time) funded two parallel projects in both parts of Nicosia, namely the Pedestrianisation of Ledras and Onasagarou streets in the GCC and the Improvement of the Kyrenia Avenue and Surrounds in the TCC.

  - From 1987 to the end of 1997, the UNHCR executed the USAID funded Bi-communal Humanitarian Programme, funding the parallel implementation of the rehabilitation of two neighbourhoods in the Walled City, namely the Chrysaliniotissa and Arab Ahmet Rehabilitation Projects.

  - The UNDP/USAID funded and UNOPS executed Bi-communal Development Programme, which took over the UNHCR Programme in 1998.
• Since 2001, UNDP in conjunction with its executive agency UNOPS has been responsible for the implementation of the **Partnership for the Future (PFF)** project funded by the EU that aims to revitalise the Old Nicosia.

The EU funded programme for **Partnership for the Future** is focused on:

<table>
<thead>
<tr>
<th>Rehabilitation of Old Nicosia:</th>
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<tbody>
<tr>
<td>Phase 1- Revitalisation of the Omeriye and Selimiye areas in Nicosia EUROS 3,000,000</td>
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<tr>
<td>Phase 2 - Revitalisation of the Phanaromeni and Samanbahce areas in Nicosia EUROS 3,300,000</td>
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<tr>
<td>Phase 3 - Rehabilitation of the Market in Nicosia EUROS 1,000,000 (about to start)</td>
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</tbody>
</table>

**Business Support Project** EUROS 1,500,000 (about to start)

**Small Project Funds** (EUROS 1,100,000 (about to start))

Total PFF EU funded programmes: EUROS 9,900,000

• The EU has financed other related projects in Cyprus. They include: the Euro Info Correspondence Center, the Business Co-operation Center, the Business Co-operation Network and the Civil Society Programme.

• The technical teams of the Nicosia Master Plan have met periodically, first under the auspices of the UNDP Country office, then under the UNHCR programme and recently under the UNOPS PFF ongoing programme.

• Nicosia constitutes a remarkable architectural ensemble, the existence of which is rare in its consistency. Symbolizing the intimacy between two great Mediterranean cultures, this city has suffered from years of neglect due to the prevailing situation.

• This proposed **Phase 4 for the rehabilitation of Nicosia**, on works to be carried out with EU assistance, will include Phase II for the revitalization of the area of Phanaromeni and the Selimiye area and will continue, if necessary, the interventions for the “**Rehabilitation of Old Nicosia**” of Phase 1-Phase 2 – Phase 3.

• **Pyla**, a village north of Larnaca, lies between the cease-fire lines of the National Guard and the Turkish occupation army established in August 1974. There are six villages in the buffer zone, but only one, Pyla, is inhabited by both Greek-Cypriots and Turkish-Cypriots.

  Around 820 Greek Cypriots and 450 Turkish Cypriots inhabit the village of Pyla currently. It is this bi-communality that turned Pyla into a unique symbol of peaceful co-existence between Greek Cypriots and Turkish Cypriots on the island. This bi-communal project is proposed to be partly financed by the EU within the framework of the **Council Regulation (EC) No 555/2000 (Article 4 - Any operations to contribute to the reconciliation of the two Cypriot communities**) in an effort to contribute to the prosperity of the community of the village as a whole and to create sustainable activities that will contribute to the rejuvenation of the local community.

• In **Pyla village**, the works to be carried out with EU assistance, will include the revitalisation of the **Venetian Tower**

### 3.2 Linked activities:

All rehabilitation activities are being carried out under the Nicosia Master Plan umbrella, which guarantees the co-ordination and complementarities of the support provided from other donors.
Others projects funded by various organisations under the umbrella of the Nicosia Master Plan and are listed here below:

**UNDP/USAID funded UNOPS executed programme:**
- Area schemes in Arab Ahmet and Chrysaliniotissa
- Sanitary intervention in the Pedieous river
- Road bumps in Pyla village

**Turkish funded projects:**
- Pedestrianisation of part of Selimiye area
- Upgrading of the court buildings

**Locally funded projects:**
- Various small restoration and upgrading activities, such as the Venetian House and the Eaved House

### 3.3 Results

**to meet Objective 1**
- Exchange of experience between the Greek Cypriot and Turkish Cypriot members of the Nicosia Master Plan team
- To bring together Greek Cypriots and Turkish Cypriots to work jointly in the preparation and implementation of the project.

**to meet Objective 2**
- **Pyla village:**
  - Restoration of the medieval Venetian Tower

- **Phaneromeni area Phase II:** the revitalisation of the area
  - Restoration / refurbishment of facades of the buildings of architectural value and in precarious structural conditions (including buildings from the 1960s) and refurbishment of facades of internal spaces
  - Improvement of public and semi public open spaces, infrastructure, paving, street lighting and street furniture

If funds will remain available or sub-projects cannot be implemented, the following interventions can be considered:

- Completion of sub-projects Phase 1-Phase 2 – Phase 3
- Identification of additional sub-projects within above identified areas

- **Selimiye area:**
  - Restoration of Bedesten (St Nicholas Church), the adjacent building and the surrounding area
  - Supply of tools and equipment for restoration and consolidation works

If funds will remain available or sub-projects cannot be implemented, the following interventions can be considered:

- Restoration of Chapter House and lighting of the surrounding area
- Completion of sub-projects Phase 1-Phase 2 – Phase 3
- Identification of additional sub-projects within above identified areas
to meet Objective 3
- Maintenance of existing buildings by private owners
- Provision of local funds for incentives (follow up) to allow the owners to complete the interior works

to meet Objective 4
- Upgrading of the visual environment
- Beautification of the neighbourhood and historical areas
- Upgrading of common facilities, existing infrastructure and pedestrianisation of identified areas

3.4 Activities

In order to meet the specific objectives and to achieve the results indicated in 3.3 above, the project will implement the following activities:

to meet Objective 1
- Technicians of the two communities will meet on a regular basis in order to follow-up the activities, exchange information and techniques.
- The Greek Cypriots and Turkish Cypriots living in Pyla will work together for the preparation and implementation of the project.

to meet Objective 2
- Conclude agreements with local partners for the implementation of the selected activities in accordance with the provision set up in the EU-UN framework Agreement
- Monitoring the implementation of the activities

to meet Objective 3
- Awareness campaigns should be organised throughout the old city of Nicosia and Pyla village
- Technical seminars could be held in order to sensitise and explain the various aspects of restoration activities.

to meet Objective 4
- Promotional campaigns could be organised to demonstrate the achievements of the above objective and thus create the awareness in the public about the improved environment of the selected areas

4. Institutional Framework

4.1 Nicosia

Nicosia Master Plan team is composed of technicians from various departments under the leadership of the local authority of Nicosia. The structure is similar in both communities, although in the GC the NMP is autonomous in a sense that it has a physical identity. In the TC, the NMP is an ad hoc entity. The Nicosia Master Plan develops all projects, tenders undertaken by the respective authorities in accordance with the applicable tender regulations.
Implementation will be undertaken by sub-contractors and supervised by the NMP teams.

4.2 Pyla village

Due to the particular situation of Pyla village and the co-existence between Greek Cypriots and Turkish Cypriots, the UNDP through UNOPS will establish the appropriate implementation structure for this project.

The implementation arrangements will be specifically designed to take into account the above situation.

5. Detailed Budget (million EURO)

<table>
<thead>
<tr>
<th>Components</th>
<th>Investment</th>
<th>Institution Building</th>
<th>Total Phare (=I+IB)</th>
<th>National co-financing</th>
<th>IFI</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>All projects components, including human resources, travel, local office</td>
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<td>1,879.5</td>
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<tr>
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<tr>
<td>costs</td>
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</table>

6. Implementation Arrangements

6.1. Implementing Agency

The implementing agency will be the United Nations Development Programme (UNDP).

UNDP through its executing agency UNOPS will establish the appropriate implementation structure for this project. The implementation arrangements will be specifically designed to take into account the particular political conditions in Cyprus. UNDP will perform the supervision and monitoring of the various activities mentioned above in order to ensure the proper execution of the project as a whole.

Specific supervision and monitoring features have been designed in order to take into account the particular situation of the island.

UNDP will follow the tender procedure as described in the EU-UN Framework Agreement, as well as its other provisions.

The UNDP will perform the supervision and monitoring of the various activities mentioned above in order to ensure the proper execution of the project as a whole.
6.2 Twinning:
N/A

6.3 Non-standard aspects
UNDP / UNOPS will also follow the tender procedure as described in the EU-UN Framework Agreement, as well as its other provisions.
In case problems occur in preventing the correct implementation of one component of the project (Pyla or NMP), the corresponding budget may be reallocated to the other component.

6.4 Contracts
UNDP will execute the project according to the principles and procedures laid down in the "Agreement between the United Nations and the European Community on the principles applying to the financing or co-financing by the Community of programmes and projects administered by the United Nations" signed in 1999.

7. Implementation Schedule

7.1 Start of tendering
1st quarter 2003
7.2 Starting of the project activity
3rd quarter 2003
7.3 Project completion:
2nd quarter 2005

8. Equal Opportunity
UNDP is an equal opportunity employer.

9. Conditionality and sequencing
Each component of the project adopts a logical approach to design and implementation.

Annexes to project Fiche
1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
**LOGFRAME PLANNING MATRIX**

**Programme Name:**

**PARTNERSHIP FOR THE FUTURE**

Rehabilitation of Nicosia – Phase 4
Rehabilitation of Pyla – Restoration of the Venetian Tower

**Contracting period expires:**
July 2005

**Disbursement period expires:**
July 2006

**Project Number:**

**Total Budget:** 2.0 million EURO

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Total Budget: 2.0 million EURO</th>
<th>EU contribution: 2.0 million EURO</th>
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**Wider Objective(s)**

The objective of supporting bi-communal projects is to contribute to economic and social development; to foster an atmosphere of relationship building where dialogue and trust are developed between the Greek Cypriot (GCC) and Turkish Cypriot (TCC) communities.

- Increased interest in bi-communal co-operation by public entities in both communities
- Increased interaction and participation in common activities by Greek Cypriots and Turkish Cypriots.

**Objectively verifiable indicators**

- European Commission reports
- Reports produced by the relevant authorities

**Sources of verification**

**Immediate Objectives**

<table>
<thead>
<tr>
<th>Objective 1:</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| To bring the members of the Greek and Turkish Cypriot communities, to work jointly in the preparation and implementation of bi-communal projects. | - exchange of information on the experiences gained during the development and the implementation of the various activities
- joint review of the progress of the implementation of the various activities and adjust to the changing needs of the city and of the areas under rehabilitation
- number of meetings organised | - report produced by the local partners on the various activities | - political environment conducive to the development of bi-communal activities
- co-operation between Greek Cypriots and Turkish Cypriots in the implementation of such projects |

<table>
<thead>
<tr>
<th>Objective 2:</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| To support the rehabilitation and revitalisation of the Walled City of Nicosia and of Pyla village to support the conservation of the cultural heritage | - rehabilitation activities in Nicosia and in Pyla village | - number of rehabilitation activities within the walled city
- number of private investment in the project areas
- report produced by the relevant authorities | - rehabilitation activities are subject to a conducive legislative and regulatory environment, as well as the evolution in the cost of borrowing
- incentives by local authorities |
### Objective 3:
To sensitise Nicosia and Pyla residents to conservation and revitalisation issues

- number of private investment funding conservation of architectural valued or historic buildings
- maintenance of existing buildings
- pamphlet and seminars concerning conservation issues
- publicity campaigns to describe the project and to instil interest in the project
- co-operation of the relevant authorities

### Immediate Objectives

#### Objective 4:
To improve the living environment of the residents of Nicosia and Pyla village

- measurable improvements, such as number of restored buildings, creation or improvement of public facilities, improvement of the community environment
- quantifying the indicators through field visits
- reports of the relevant authorities
- co-operation of the relevant authorities
- awareness campaigns, to be carried out before the start up of the rehabilitation works

### Outputs

#### Outputs related to Objective 1:
- Exchange of experience between the Greek Cypriot and Turkish Cypriot members of the Nicosia Master Plan team
- To bring together Greek Cypriots and Turkish Cypriots to work jointly in the preparation and implementation of the project.
- exchange of documents related to the planning and execution of the various activities
- exchange of reports, methodologies and documentation related to the specific experience gained during the development and implementation of the project.
- report produced by the local partners
- political environment conducive to the development of bi-communal activities
- co-operation between Greek Cypriots and Turkish Cypriots in the implementation of the projects
- Involvement of the residents of Pyla in the preparation and implementation of the project

#### Outputs related to Objective 2:
- Restoration of the medieval Venetian Tower
- Phaneromeni area Phase II:
  - Restoration / refurbishment of facades of the buildings of architectural value and in precarious structural conditions (including buildings from the 1960s)
  - Improvement of public and semi public open spaces, infrastructure, paving, street lighting and street furniture
  - If funds will remain available or sub-projects cannot be implemented, the following

- tangible results in the achievement of proposed activities
- report produced by the local partners
- report produced by UNOPS
- EC Delegation Report
- co-operation between Greek Cypriots and Turkish Cypriots in the implementation and completion of the projects
- Adequate participation in project by both Greek-Cypriots and Turkish-Cypriots in the Pyla village
- co-operation between the relevant authorities
- awareness campaigns, to be carried out before the start up of the rehabilitation works
interventions can be considered:
- Completion of sub-projects Phase 1/2/3
- Identification of additional sub-projects within above identified areas

**Selimiye area:**
- Restoration of Bedesten the adjacent building and the surrounding area

If funds will remain available or sub-projects cannot be implemented, the following interventions can be considered:
- Restoration of Chapter House and lighting of the surrounding area
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<table>
<thead>
<tr>
<th>Outputs</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
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</thead>
<tbody>
<tr>
<td><strong>Outputs related to Objective 3:</strong></td>
<td>• increased interest of the local residents in the restoration and/or conservation of protected heritage (houses, shops, etc) that are privately owned</td>
<td>• pamphlet and seminars concerning conservation issues</td>
<td>• co-operation of the relevant authorities</td>
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<tr>
<td>• Maintenance of existing buildings by private owners</td>
<td>• Increased number of commercial activities in the project areas</td>
<td>• reports of the relevant authorities</td>
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<td>• Provision of local funds for incentives to allow the owners to complete the interior works</td>
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<td>• Private investments funding business and commercial activities in the project areas</td>
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<td>• Upgrading of the areas in order to attract more visitors, commercial activities and investments (private and public).</td>
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**Outputs related to Objective 4:**
- Improving of the visual environment
- Beautification of the neighbourhoods
- Improving of historical areas
- Improving of common facilities, existing infrastructure and pedestrianisation

- Increased number of residents in the neighbourhood

- Quantifying the indicators through field visits

- Co-operation of the relevant authorities
- Incentives by local authorities
### SUMMARY DETAILED TIME IMPLEMENTATION CHART FOR THE PROJECT

**Title:** Rehabilitation of Nicosia – Phase 4 and Rehabilitation of Pyla – The restoration of the Venetian Tower

<table>
<thead>
<tr>
<th>2003</th>
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</table>

0 – Preliminaries activities TO BE CARRIED OUT IN OVERLAPPING WITH THE OTHER PROJECT UNDER IMPLEMENTATION

- P = Project preparation
- D = Design
- C = Contracting
- I = Implementation
- X = Closure

* = subject of signing the Contract between UNDP and EU

** = Mission for monitoring the final acceptance of the Construction Works
CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE OF EU FUNDING
Title: Rehabilitation of Nicosia – Phase 4 and Rehabilitation of Pyla – The restoration of the Venetian Tower

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All figures in million Euro