ADDENDUM TO FINANCING MEMORANDUM

Project No 2003/004-643
2003 NATIONAL PROGRAMME FOR CYPRUS

Within the Framework of pre-accession assistance to Cyprus, the Addendum outlined below has been made under the 2003 pre-accession Budget of the 2003 National Programme for Cyprus.

Article 1

Annex 2 to the Financing Memorandum 2003/004-643 signed on 12 June 2003 is modified as follows:

(1) Project 8 “Business Support Phase II” of Objective 4 “To contribute to the reconciliation of the two Cypriot communities” in Point 1 “Objectives and Description” is amended as follows:

(a) The first paragraph is replaced by the following:

“The purpose of the project is to promote the strengthening of small and medium sized enterprises through the provision of services and the carrying out of works.”

(b) The following bullet point is added to the second paragraph:

➢ “Support to the actions aimed at eliminating physical and inter-cultural barriers and obstacles to trade.”
The budget breakdown by project of the pre-accession funds 2003 is replaced by the following:

<table>
<thead>
<tr>
<th>#</th>
<th>Title of the project</th>
<th>DAC Sector Code</th>
<th>Total Budget Mio €</th>
<th>Budget Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Air Pollution Monitoring System of Cyprus</td>
<td>41020</td>
<td>1.00</td>
<td>B7-041</td>
</tr>
<tr>
<td>2</td>
<td>Upgrading the Solid Waste Management System (Landfill)</td>
<td>14050</td>
<td>*0.79</td>
<td>B7-041</td>
</tr>
<tr>
<td>3</td>
<td>SME Facility in Cyprus</td>
<td>25010</td>
<td>1.50</td>
<td>B7-041</td>
</tr>
<tr>
<td>4</td>
<td>Administrative co-operation; general</td>
<td>99810</td>
<td>1.05</td>
<td>B7-041</td>
</tr>
<tr>
<td>5</td>
<td>Administrative co-operation; TAIEX</td>
<td>99810</td>
<td>0.50</td>
<td>B7-041</td>
</tr>
<tr>
<td>6</td>
<td>Statistics</td>
<td>16362</td>
<td>0.25</td>
<td>B7-041</td>
</tr>
<tr>
<td>7</td>
<td>Bi-communal Project – Rehabilitation of the cultural heritage of Cyprus: Nicosia Master Plan IV and restoration of Pyla</td>
<td>15061</td>
<td>2.00</td>
<td>B7-041</td>
</tr>
<tr>
<td>8</td>
<td>Bi-communal Project - Business Support Project II</td>
<td>15061</td>
<td>*1.81</td>
<td>B7-041</td>
</tr>
<tr>
<td>9</td>
<td>Bi-communal Project – Trade Unions</td>
<td>15061</td>
<td>0.30</td>
<td>B7-041</td>
</tr>
<tr>
<td>0</td>
<td>Bi-communal Project – Communication Strategy</td>
<td>15061</td>
<td>0.30</td>
<td>B7-041A</td>
</tr>
<tr>
<td>1</td>
<td>Participation in Community Programmes and Agencies</td>
<td>99810</td>
<td>2.30</td>
<td>B7-041</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>11.80</td>
<td></td>
</tr>
</tbody>
</table>

* The exact amount of Project 2 is 787,100 and of Project 8 is 1,812,900.

The Implementing Agency for Project 8 “Bi-communal Project – Business Support Project II” is replaced by the following:

"European Commission DG ELARG via UNOPS"

**Article 2**

All other Terms and Conditions of the original Financing Memorandum 2003/004-643 remain unchanged.

**Article 3**

The addendum to this Financing Memorandum 2003/004-643 is drawn up in duplicate in the English language.

**Article 4 – Entry into force**

The addendum to the Financing Memorandum 2003/004-643 shall enter into force on the date of signature by both parties.
Brussels,
18 July 2005

For the Recipient

[Signature]

Hasselt,
15 -07- 2005

For the Community

[Signature]