



REPUBLIC OF CYPRUS

**STATUS REPORT**

**ON THE IMPLEMENTATION OF**

**THE EEA FINANCIAL MECHANISM AND THE**

**NORWEGIAN FINANCIAL MECHANISM 2009-2014 IN THE**

**REPUBLIC OF CYPRUS**

**National Focal Point**  
**January 2012**

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## Glossary of Acronyms

AA	Audit Authority
CA	Certifying Authority
CING	Cyprus Institute of Neurology and Genetics
BS	Beneficiary State
DPP	Donor Program Partner
DS	Donor States
EEA FM	EEA Financial Mechanism
FMO	Financial Mechanism Office
TA	Technical Assistance
IN	Innovation Norway
MC	Monitoring Committee
MOKAS	Unit for Combating Money Laundering
MoU	Memorandum of Understanding
N/A	Not applicable
NFM	Norwegian Financial Mechanism
NSRF	National Strategic Reference Framework
PB	Planning Bureau
PO	Program Operator
PP	Project Promoter
PPD	Public Procurement Directorate
PS	Permanent Secretary
SPAVO	Association for the Prevention and Handling of Violence
ToR	Terms of Reference

## Preface

The purpose of the Status report on the implementation of the EEA and the Norwegian Financial Mechanisms (FMs) 2009-2014 in the Republic of Cyprus is to give updated information on the status of implementation with a cut off date of 31 January 2012.

The report has been prepared by the Planning Bureau (PB), acting as the National Focal Point (NFP) for the implementation of the two FMs.

## I. Memoranda of Understanding on the EEA and Norway Grants 2009-2014

The Memorandum of Understanding (MoU) on the implementation of the Norwegian Financial Mechanism (NFM) 2009-2014 was signed on 12.12.2011 and the net amount of the allocation to be made available to Cyprus is €3.700.000. The Memorandum of Understanding on the implementation of the EEA FM 2009-2014 was signed on 14.12.2011 and the net amount to be made available to Cyprus is €3.561.250. Due to the small size of the allocations in each FM, it was agreed that the support will be provided under two programmes in each FM. More specifically,

(a) the MoU Norwegian FM provides for two Programmes: The Global Fund for Decent Work and Tripartite Dialogue, operated by Innovation Norway and a cross sectoral programme operated by the Planning Bureau (NFP) consisting of five predefined projects

(b) the EEA FM provides for two programmes: The Fund for Non-Governmental Organisations operated by a Project promoter to be selected through open public tender procedures and a cross sectoral programme operated by the Planning Bureau (NFP) consisting of three predefined projects .

All predefined projects will be approved jointly by the Donor States (DS) and the Beneficiary State (BS) prior to the signing of the respective project contract.

The following priority areas and predefined projects were selected under each FM:

### NFM

Programme Area/Area of Intervention	Predefined Project	Project Promoter	Allocation in €*	Program Operator	Donor Programme Partner
Decent work and Tripartite Dialogue	N/A	N/A	40.000	Innovation Norway (IN)	N/A
Public Health Initiatives	The Cyprus Bone Marrow Registry	The Karaiskakio Foundation	) ) )	NFP	N/A
	Establishment of a Translational Facility at the CING.	The Cyprus institute of Neurology and Genetics(CING)	)1.191.500 ) ) )		

Domestic and Gender Based Violence	Construction of a new Shelter for the victims of domestic violence	The Association for the Prevention and Handling of Violence in the Family (SPAVO)	703.500	NFP	The Norwegian Secretariat of the Shelter Movement
Justice and Home Affairs	Strengthening MOKAS capacities and improve efficiency to detect money laundering and the financing of terrorism	MOKAS (Unit for Combating Money Laundering in Cyprus)	950.000	NFP	N/A
Civil Society Support	The Home for Cooperation (H4C)	The Association for Historical Dialogue and Research(AHDR)	600.000	NFP	The Council of Europe

#### EEA FM

<b>Programme Area</b>	<b>Predefined Project</b>	<b>Project Promoter</b>	<b>Allocation in €*</b>	<b>Program Operator</b>	<b>Donor Programme Partner</b>
Biodiversity and Ecosystem Services	Biodiversity Conservation in Restoration and Management of the Amiantos Asbestos Mine at Troodos National Forest Park	Department of Forests	1.155.500	NFP	N/A
Fund for Non-Governmental Organisations	N/A	N/A	1.320.750	TB appointed through public tender selection procedures	N/A
Children and Youth at Risk	Day Care Centre for children and youth with mental and physical disabilities	Social Welfare Services	385.000	NFP	N/A
Conservation and Revitalisation of Cultural and Natural Heritage	To be selected and agreed between the parties	TB appointed	623.000	NFP	N/A

\*Without National Cofinancing

In addition to the above, the MoUs include also allocations for Technical Assistance as well as for bilateral relations at the national level. Moreover, the MoU of the NFM includes also a reserve for unforeseen developments.

## **II Status of preparation for the implementation of the FMs by the NFP:**

Following the signing of the two FMs in December 2011, the NFP has initiated action for the implementation of the two FMs at various levels as follows:

(a) Drafting of Programme Proposals – As agreed with the FMO and the DS, the two Program Proposals to be drafted by the Planning Bureau in its role as Programme Operator (PO), will be short and concise and will mainly focus on linking the predefined projects with the Programme areas on the one hand and with the National Strategic Reference Framework (NSRF) on the other. Each Program will have the list of the predefined projects attached as Annex. The drafting process is already in progress and will be submitted to the Financial Mechanism Office (FMO) within the first quarter of 2012.

(b) Preparation of Full Project Applications-The Project Promoters (PPs) of the predefined projects were informed of the inclusion of their projects in the signed MoUs and were advised that they will soon be requested to submit full project proposals for further processing. The Planning Bureau is already in the process of preparing the format /template that will be used for this purpose. The template will be agreed upon with the DS and a workshop will take place in February where the template will be presented to the PPs. It is expected that the full project proposals will be ready for submission to the FMO by June 2012.

As regards the predefined project of European cultural heritage value that will be selected and agreed between the Parties for the Programme area “Conservation and Revitalisation of Cultural and Natural Heritage” under the EEA FM, the NFP has requested the PP of the possible predefined Project i.e. The Costas and Rita Severis Foundation, to confirm whether the remaining funds needed for the implementation of the Project are available. In such an event, the NFP will be in a position to process the matter further with the DS, since the Council of Ministers has already approved the submission of this project as predefined Project for funding under the EEA FM.

(c) Setting up of a Monitoring Committee (MC) - according to the Regulations, the NFP should establish a Monitoring Committee within six months of MoU signature. The NFP has addressed invitations on 19 January 2012 to relevant line Ministries, to the Social Partners and to representatives of the local and regional authorities, of the civil society and of the private sector so that the Monitoring Committee is established the soonest possible. In total, 16 such invitations were sent.

(d) Description of Management and Control Systems - The NFP is in the process of preparing the detailed description of the management and control systems which will cover in particular the organisation and procedures of the NFP, the Certifying Authority (CA) and the Audit Authority (AA). The Certifying and Audit Authorities have already been requested to provide their input for this document which is expected to be ready for submission to the FMO within the first quarter of 2012, concurrently with the submission of the two Programme Proposals.

(e) Technical Assistance - The NFP is currently preparing the Technical Assistance Budget which amounts to €117.750 under both FMs. The Certifying Authority and the Audit Authority were requested to provide their needs for technical assistance and it is expected that the budget for the whole implementation period as well as for the first calendar year, will be ready for submission to the FMO within February 2012 so that upon its approval, the Technical Assistance Agreement may be signed.

(f) Preparation of a Communication Strategy-According to Article 4.3.4 of the Regulations, the NFP should prepare and submit to the donors the Communication Strategy, within 4 months of MoU signature. Work on the preparation of the Strategy is underway and it is expected that it will be ready for submission by March 2012.

### **III Programme: The Fund for Non-Governmental Organizations**

According to the MoU for the EEA FM, the Program Operator for the Program “The Fund for Non-Governmental Organisations” will be selected through competitive tendering procedures. The responsible authority for the preparation of the Tender Documents (including the Terms of Reference) is the NFP. The drafting of the Terms of Reference (ToR) is in progress and is expected to be completed by mid February 2012 so it can be sent to the FMO for comments/approval. At the same time, the remaining Tender Documents will be prepared and sent to the Public Procurement Directorate (PPD) for approval. The aim is to launch the Tender by the end of March 2012, allowing for two months for submission of tenders. The evaluation process is expected to be completed within a month, so the PO can be appointed by July 2012. The PO will then have to prepare the Formal Program Proposal and submit it to the FMO by 31 January 2013 at the latest. It is noted however that the intention of the NFP is to include in the tender documents a requirement for the selected/appointed PO to submit the proposal within 2 months from contract signature.

### **IV Programme: Global Fund for Decent Work and Tripartite Dialogue**

The Programme Operator for this Programme is Innovation Norway and the net amount allocated to Cyprus is €39.400. The minimum amount for each proposal has been set at €5.000. The Cyprus Government has proposed also three areas of special interest for which applications can be submitted. These are the following:

- Initiative to promote Tripartite Dialogue
- Promotion of Social Dialogue focusing on the implementation of measures for the improvement of the work-life balance.
- Promotion of bipartite dialogue initiatives across industries.

The call was already launched by the PO in all beneficiary states on 20<sup>th</sup> October 2011. The NFP has published the call on the FMs’ website. However, in an effort to bring the Programme to the attention of the Social Partners in Cyprus, the NFP in consultation with the PO, addressed a letter on 4 January to the two Employers Organisations and to the five trade Unions highlighting the importance of the Programme and advising them to submit their proposals before the deadline of 31 March 2012. A similar letter was also addressed to the relevant Government Services.

## **V Bilateral Funds**

The bilateral funds allocated under both FMs amount to € 39,250. It is noted in this respect that the two programs operated by the PB include only predefined projects and therefore no funds will be needed at the national level for program proposal preparation by Donor Programme Partners (DPPs). Instead funds will mostly concern initiatives for search for project partners, exchanges, networking, study visits etc. According to Article 2.5.1 of the Agreement for the financing of TA and the Fund for bilateral funds it is expected that a workplan is submitted within two months from the signature of the TA Agreement. As part of its preparatory work for this purpose, the NFP has requested the Ministry of Foreign Affairs as well as other ministries, whose responsibilities relate to the 32 Programme Areas, to provide suggestions for initiatives that can strengthen existing relations with the DS and/or promote new ones. The workplan will also include any needs of the PPs for the predefined projects and will be discussed with the DS before its submission.

## **VI Description of Structure of the Planning Bureau regarding NFP and PO functions**

The specific set up in the Republic of Cyprus requires that the NFP is also the PO for the two cross sectoral Programmes. It is necessary therefore to ensure that all tasks and responsibilities will be addressed, both for the NFP as well as for the PO. The organogram attached as Annex 1, shows the structure of the PB as regards its role as NFP and its role as PO. In certain cases, it is not possible to ensure complete separation of functions within the entity. This mainly happens when it is necessary that a given task is performed by the Permanent Secretary (PS) of the Planning Bureau (PB). In addition, due to the small size of the entity, certain staff members have tasks that fall under the NFP and/or PO responsibilities.

At the level of the NFP, the following job positions exist with the main tasks assigned as follows:

1. Permanent Secretary of the Planning Bureau - Head of the NFP. He represents the Government of the Republic of Cyprus in its relations with the DS regarding the implementation of the FMs, having the overall responsibility for their implementation and for reaching their objectives. He is also responsible for the final approval of the two program proposals that will be prepared by the Planning Bureau in its capacity as PO.
2. Director, Directorate for International Economic Relations and Technical Assistance. This person fulfils tasks related to the programming at general level and acts as the secondary level in cases where the NFP acts as the Programme Operator. The position of the Director of the Directorate for International Economic Relations and Technical Assistance ensures the separation of functions between NFP and PO.
3. Senior Coordination Officer at the NFP Level- The person has the overall responsibility for the implementation of the NFP's tasks at the National and Programmes level (for Programmes other than those for which the PO is the PB). At the national level, the tasks include inter alia, the monitoring of all programmes with regards to their progress towards the programme outcomes and objectives, the preparation of the Strategic Report and the



evaluation of programmes. In addition the Officer is responsible for the preparation and implementation of the TA budget.

4. Coordination Officer A' at the NFP level- the person is responsible for the monitoring of the two Programmes that are operated by POs other than the PB. i.e. the Fund for NGOs and the Global Fund for Decent Work and Tripartite Dialogue. In addition the responsibilities include the continuous update of the especially designated website for the FMs (at the NFP and PO levels) and the implementation of the workplan for bilateral funds at the national level.
5. Senior Coordination Officer at the PO Level - The person has the overall responsibility for the implementation of the PB's tasks at the Programme level, for the two Programmes for which the PO is the PB.
6. Coordination Officer A' at the PO level – responsible for the day to day implementation and monitoring of the Programme of the Norwegian FM (5 projects in total).
7. Coordination Officer at the PO level – responsible for the day to day implementation and monitoring of the Programme of the EEA FM (3 projects in total). The person is also responsible for the bilateral funds at the programmes level ,for the Communication strategy at the national and programmes level and for the entry of project specific statistical data in the reporting database.
8. Accounting Department - The Accounting Department of the PB will be responsible for all payments to the PPs.

## **VII Work Plan until the end of 2012**

The Workplan until the end of 2012 has been described in detail in section II above. The main aims of the PB in this period is

- a) to submit the two cross sectoral programmes, for which the PB is the designated PO,
- b) to submit the full project applications for the eight predefined projects and
- c) to launch and successfully complete the tender procedure for the selection of the PO for the NGO Fund

In addition, the NFP will submit a detailed description of the management and control systems, the Technical Assistance budget and Workplan for Bilateral funds, and the Communication Strategy at national level.

# PLANNING BUREAU

## ORGANOGRAM



