



**REPUBLIC OF CYPRUS**  
**Directorate General for European**  
**Programmes, Coordination and**  
**Development**



**COMBINED**  
**STRATEGIC AND ANNUAL PROGRAMME REPORT**  
**2016**

**for the**

**EUROPEAN ECONOMIC AREA (EEA)**  
**AND NORWEGIAN**  
**FINANCIAL MECHANISMS**

**2009 – 2014**

**REPUBLIC OF CYPRUS**

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## CONTENTS

	GLOSSARY OF ACRONYMS	2
1.	EXECUTIVE SUMMARY	3
2.	ASSESSMENT OF THE EFFECT OF THE GRANTS	4
2. 1.	Cohesion	4
2. 2.	Bilateral Relations	6
3.	REPORTING ON PROGRAMMES	7
3. 1.	Overview of Programme Status	7
3. 2.	Individual Programme Reporting	8
4.	MANAGEMENT AND IMPLEMENTATION	16
4. 1.	Management and Control Systems	16
4. 2.	Compliance with EU legislation, national legislation and the MoU	17
4. 3.	Irregularities	17
4. 4.	Audit, monitoring, review and evaluation	17
4. 5.	Information and publicity	18
4. 6.	Work plan	19
5.	SUMMARY LIST OF ISSUES AND RECOMMENDATIONS	20
6.	ATTACHMENTS TO THE STRATEGIC REPORT	21

### GLOSSARY OF ACRONYMS

CING	Cyprus Institute of Neurology and Genetics
CVAR	Centre of Visual Arts and Research
DGEPCD	Directorate General for European Programmes, Coordination and Development
EC	European Commission
EEA	European Economic Area
EU	European Union
FM	Financial Mechanism
FMO	Financial Mechanism Office
H4C	The Home for Cooperation
MoU	Memorandum of Understanding
MOKAS	Combating Money Laundering Unit
NFP	National Focal Point
NGOs	Non-Governmental Organisations
PO	Programme Operator
PP	Project Promoter
SPAVO	The Association for Violence in the Family

## 1. EXECUTIVE SUMMARY

The present combined Strategic and Annual Report is prepared by the Directorate General for European Programmes, Coordination and Development (DGEPCD) acting as the National Focal Point (NFP) for the implementation of the European Economic Area (EEA) and the Norwegian Financial Mechanisms (FMs) 2009-2014 according to Article 2.2.1 of the Regulation on the implementation of the EEA and Norway FMs as well as paragraph 6 of Annex A of the two Memoranda of Understanding (MoU) signed between the Republic of Cyprus and the three Donor States and the Republic of Cyprus and Norway respectively, on the implementation of the above Mechanisms. The purpose of the Report is to give comprehensive information on the implementation of the EEA and Norway FMs during the period January – December 2016 and to inform the members of the Monitoring Committee on the progress made in the period under review, as well as to form the basis for discussions at the Annual Meeting in 2017.

The Report contains information on the progress made towards the implementation of the three Programmes, operated by the DGEPCD, consisting of eight predefined projects and the Fund for Non-Governmental Organisations, operated by PWC Ltd. Furthermore, the Report reflects on publicity issues as well as bilateral relations.

During the period under review almost all of the projects under the programmes were completed with two projects being in the final phase of their implementation. Four projects were granted extension of their final date of eligibility so as to obtain their planned results. By the end of 2016, all projects, including those that are in the process of closing in early 2017, have reached their goals and their impact on the target groups they are addressing is already visible.

The table below shows an analysis of the Programmes (including the amounts disbursed in 2016 and the Grant balance per project):

<b>Project</b>	<b>Grant Allocation (€)</b>	<b>Grant claimed by the PPs in 2016 (€)</b>	<b>Total Grant claimed by the PPs (€)</b>	<b>% Grant claimed by the PPs</b>
<b>1. Programme CY02</b>				
(i) Biodiversity conservation of the Amiantos Asbestos Mine in Troodos National Forest Park - Project Promoter: Department of Forest	1.138.167	4.445	1.104.579	97,0

(ii) Transformation of Nea Eleousa to a Day Care Centre for Children & Youth With Multiple Disabilities - Project Promoter: Social Welfare Services	379.225	139.968	281.939	74,4
(iii) Centre for visual arts and research - Project Promoter: Costas and Rita Severis Foundation	613.655	113.553	613.647	100,0
<b>2. Programme CY03</b>				
Funds for NGOs – Programme Operator: PWC Ltd - Project Promoters: 20 NGOs	1.320.750	57.046	1.237.581	93,7
<b>3. Programme CY04</b>				
The Cyprus Bone Marrow Registry - Project Promoter: The Karaiskaki Foundation	681.127	275.245	677.527	99,5
Establishment of a Translational Facility at the Cyprus Institute of Neurology and Genetics (CING) - Project Promoter: The Cyprus Institute of Neurology and Genetics	492.500	100.916	492.475	100,0
Construction of a new shelter for the victims of domestic violence - Project Promoter: The Association for Violence in the Family (SPAVO)	742.198	368.113	741.546	99,9
Strengthening MOKAS capacities and efficiency to detect money laundering and the financing of terrorism - Project Promoter: Combating Money Laundering Unit (MOKAS)	935.750	33.943	891.747	95,3
The Home for Cooperation (H4C) - Project Promoter: The Association for Historic Dialogue and Research	667.725	126.842	666.860	99,9
<b>TOTAL</b>	<b>6.978.097</b>	<b>1.220.071</b>	<b>6.707.901</b>	<b>96,1</b>

## 2. ASSESSMENT OF THE EFFECT OF THE GRANTS

### 2.1 Cohesion

The Programmes implemented under the EEA and Norway Grants 2009-2014 in Cyprus, served the overall objectives of the FMs, which is the reduction of the economic and social disparities and the strengthening of the bilateral relations. These objectives

were achieved by projects that take care children, women and youth at risk by providing additional services through the creation of a shelter for protecting them from domestic violence (SPAVO), by providing a Centre for helping young people and children with disabilities (Nea Eleousa), by advancing the equipment used in laboratories, providing better quality health services at national and local level and also by reducing the inequalities in health through increased access (Karaiskakio and CING).

In addition, sharing experiences and good practices from peer institutions of the Donor States for reaching project results, enhanced the Bilateral Relations between the Donors and Cyprus, one of the main objectives of the FMs.

It is noted that the EEA and Norway Grants fit into areas that are not adequately covered by other resources, such as the areas of environmental protection and management, biodiversity, human and social development, cultural heritage, public health, domestic and gender based violence, justice and home affairs and civil society support. Even though the total allocation to Cyprus is not a huge amount that could have a major impact on the country, it does however have a great impact on the programme areas and the people that benefit from these grants. The contribution to the implementation of these programmes is visible and it has counter balanced some of the adverse effects of the financial crisis of the recent years.

The eight projects under the EEA and Norway Grants as well as the NGO Fund Programme fit into the overall objective of their respective Programme area and they are fully in line with the legislation and national priorities and strategies for the specific sectors. Furthermore they are highly relevant to the existing needs of the country and they contribute in their own way in the reduction of economic and social disparities.

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Under the EEA Grants, the Amiantos Mine Project contributes to the sustainable improvement of life quality in the rural areas, the Project for the Centre of Visual Arts and Research to the revitalization of the demarcation line in divided Nicosia and the Day Care Centre for disabled children and youth project, to the combating of social exclusion of the specific target group and their reintegration into the community.

Under the Norway Grants, the Bone Marrow Donor Registry Project and the Project for the Cyprus Institute of Neurology and Genetics, are already contributing to the delivery of improved public health services as well as building more trust and further communication channels between the two communities in Cyprus. In addition, the Shelter for the victims of domestic violence, contributes to the empowering of the specific target group and their reintegration into the society. Also, the MOKAS project on strengthening MOKAS capacities in improving efficiency to detect money laundering, will contribute to the fight against money laundering and terrorist financing

thus increasing citizens' security. Finally the Home for Cooperation is already working on strengthening the capacity of NGOs in Cyprus. Furthermore, interaction of the Greek Cypriot and Turkish Cypriot communities are effected through its activities, contributing to even better relations and contacts between the two communities.

As regards the Programme Area for the "Funds for the NGOs", this contributed to the strengthening of civil society development, especially in the difficult times of financial crisis and through that, to the implementation of the national strategy on sustainable development and social cohesion as well as to the overall objective of the Grants for reduction of economic and social disparities.

The adverse conditions caused by the economic crisis affected all stakeholders in the EEA and Norway Grants in Cyprus. Due to the recession of the economy, the objective of reduced disparities might be difficult to be achieved, at least, in the coming years.

Furthermore, as regards the risks which might hinder the objectives and outcomes of the programmes, which were mainly due to the delay in the construction works and the adverse weather conditions, in some of the projects, these were foreseen and an extension for the duration of these projects was granted by the Donors. Therefore the final risks that could impede project and programme objectives were mitigated.

Furthermore, the total assistance provided to Cyprus has also a bi-communal dimension and in this sense it contributes to the promotion of bi-communal contacts and dialogue between the two communities in Cyprus, especially projects such as the H4C Project, the Karaiskakio project, the Cyprus Institute of Neurology and Genetics project and a number of projects under the NGO Fund Programme.

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## **2.2 Bilateral relations**

In 2016 the bilateral relations between Cyprus and the donor states were strengthened through the events financed from the fund for bilateral relations at Programme Level.

Bilateral exchanges under the EEA/Norway Grants, gave the opportunity to Cypriot entities to cooperate with counterparts from the Donor States and be able to exchange views and experiences as well as good practices.

Project Promoters were involved in workshops, study visits and expert missions with counterparts from the Donor States, enhancing their perspectives and knowledge

of how to deal with the challenges at hand. These bilateral activities which took place in 2016 are the following:

(i) A team of experts from the Cyprus Institute of Neurology and Genetics visited the Oslo University Hospital, where they had the opportunity to get training and answers regarding the next generation sequencing and other related analysis procedures.

(ii) SPAVO experts visited relevant shelters in Oslo and exchanged experiences with their counterparts.

(iii) The Centre for Visual Arts and Research participated with a theatrical performance at the House of Literature in Oslo.

(iv) The Saladin Days event was organized by the Home of Cooperation, in Nicosia, in cooperation with the House of Literature, Oslo.

It was noted by the PPs that these exchanges did not just provide an additional knowledge for their projects but gave them the opportunity to see the views of the donor partners from a different outlook and extent opportunities for future cooperation.

As regards risks that could impede on the bilateral objectives, the most significant risks related to the difficulty in identifying partners from the Donor States and/or financing possible missions/workshops due to the limited budgets available (due to high fees, high cost of air tickets and other expenses related in organizing missions and workshops).

In order to address these risks, the NFP was in close contact with the project promoters in order to help them identify partners in the case that they could not identify one themselves. However, these risks were minimized, as promoters had established good contacts with relevant stakeholders in Norway in the recent years.

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### **3. REPORTING ON PROGRAMMES**

#### **3.1. Overview of Programme Status**

During the reporting period, one programme (NGO Fund) was fully completed and the other two programmes are in their final stages of implementation.

Under the NGO Fund Programme, all 20 projects were completed, their project promoters submitted their final reports and all payments were effected within the deadlines. The final implementation rate of the allocated amount for the 20 projects, is 97%.

Under the other two Programmes where four projects received an extension up to April 2017, the SPAVO, Nea Eleousa, Amiantos and Karaiskakio projects, these programmes are almost concluded with some of their projects being at the final stages of their implementation.

## **3.2 Individual Programme Reporting**

### **3.2.1 Overall progress as regards implementation of the Programmes and their sub-projects**

Overall progress under the Programmes progressed very well during the reporting period with almost all projects being completed. The total amount claimed by the PPs has increased from 75,2% in 2015 to 96,1% in 2016.

The three Programmes contributed positively towards several horizontal concerns since several projects include actions or/are predominantly committed to promoting multicultural understanding, respect for the rights of minorities, combating hate speech, extremism, racism, xenophobia, violence against women and trafficking.

As far as the Cross-Cutting issues are concerned, it is noted that all the Project Promoters were asked to address these issues at the application process and provide satisfactory ways to implement all these issues. Additionally, since the projects were pre-selected (under the two Programmes), all the Project Promoters selected are well established and have an excellent track record in all cross-cutting issues. Respect to all cross-cutting issues is also explicitly stated in the project contracts.

#### **1. Good-Governance**

Three out of eight Project Promoters are government services which are obliged to follow the National and EU legislation regarding good governance and transparency issues. Karaiskakio Foundation is audited by the State Audit Authority and the Cyprus Institute of Neurology and Genetics is a body governed by public law. Regarding the NGOs, as mentioned above, they have been selected taking account of their experience and track record. Additionally, they have been provided with specific instructions and procedures on procurement and transparency issues all of which are thoroughly monitored.

#### **2. Environmental considerations**

Besides the project on the "Biodiversity and ecosystem services" all projects contribute to the most efficient use of energy, resources by either the introduction of new technology which is more environmental friendly or as a fundamental policy of the Promoter itself. All measures are taken to ensure



compliance with the legislation and best practices regarding environmental sustainability. None of the projects affected the environment negatively.

### 3. Economic Sustainability

All projects include either upgrading of technological and building infrastructure or direct support of their operations including implementation of a sustainability action plan, thus contributing to efficiency improvements, expanding their operations, new employment positions and attracting more funding resources.

### 4. Social sustainability

Most projects concern areas and actions directly involved with social issues like access to public health, tackling gender discrimination and violence and supporting victims, improving care facilities for children and youth at risk etc. Also, most projects carry a bi-communal aspect for promoting healthy relationships and mutual understanding between communities in Cyprus, with one particular project having this as its main objective.

### 5. Gender Equality

All Project Promoters whether public services or not are firm supporters of gender equality implementing "Equal Opportunities and Rights" policies in employment, participation in managerial positions and project and research teams. Besides this, two projects are involved directly in promoting gender equality issues ("Shelter for Victims of Domestic Violence" and "Home for Cooperation" with the development and publication of a tri-lingual guide on how to introduce a gender perspective in history teaching and other streamlining activities).

## 3.2.2 Progress towards expected outcomes

All outcome indicators have been achieved with no particular problems in the period under review.

Programme Areas	Outcome Indicators	Achievement
<b>CY02-EEA Grants</b>		
Biodiversity and ecosystem services	Number of management plans for Natura 2000 areas created, improved and/or implemented	One management plan was created for mine restoration with improved techniques taking into account nature conservation and wildlife needs. The management plan is achieved. All activities are completed apart from the construction of the path around the pond and some publicity actions.

Children and youth at risk	Number of young people directly benefiting by the programme	The construction of the Centre is completed, all the necessary equipment has been obtained and training of the staff took place. The Centre is operational to receive young people who need the services of the Day care Centre.
Conservation and revitalisation of cultural and natural heritage	Number of new museums and cultural centres facilities created	The CVAR building is completed and is operational. The outcome has been achieved.
<b>CY04 – Norway Grants</b>		
Public health initiatives	Number of actions taken to reduce inequalities in health through increase access	The IT infrastructure and communication tools are in place, the registry database is upgraded and the public awareness and recruitment campaign took place
Domestic and Gender-based violence	Number of women's shelters or crisis centres supported	The construction of the Shelter is completed and the Shelter is fully functional.
Justice and Home Affairs	Number of law enforcement officers trained to prevent and combat cross border and organised crime	The installation of the application was completed and the officers were trained according to the plan. The application is operational and the responsible authority is fully functional to meet its needs.
Civil Society Support	Number of smaller/grass roots organisations demonstrating increased capacity in relation to sustainability and extension of activities	Various activities take place in the Home for Cooperation. Small organisations benefit from the various programmes of the H4C, giving the opportunity to perform activities which benefit their sustainability capacity. In addition a large number of people benefited from the activities implemented by these projects.
<b>CY03 – NGO Fund</b>		
<b>NGO Fund</b>	Democratic values, including human rights, promoted	7 NGOs promoted democratic values, including human rights and 20 NGOs committed to NGO Codes of Practice and ethics
<b>NGO Fund</b>	Provision of welfare and basic services to defined target groups increased	5 basic and welfare services that meet needs of defined target groups achieved and more than 2.000 individuals reported access to welfare/social services, such as the provision of support services to victims of trafficking where NGOs managed to tackle the problem both by directly assisting the victims and by training and informing practitioners in the public and private sectors (doctors, police etc).

<b>NGO Fund</b>	Strengthened capacity of NGOs and an enabling environment for the sector promoted	31 NGOs reported that achieved additional sources of funding and 12 workshops and experience exchange events for good practice and learning transfer were organised. Sectoral capacity building was achieved both at the project and the programme level through the offering of tools, workshops etc. A major capacity building effort was realized in the Call 2 project where a comprehensive mapping of the capacities of the NGO sector was implemented together with support in setting up NGO networks and offering training/ capacity building support to interested NGOs both by the project and the PO.
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Concerning what could be done better, having also the next programming period in mind, the following issues are identified:

- Communication

This is an area in which both the NFP/PO and PPs could have done more than what is absolutely necessary, which we recognise and we will try to improve in the next programming period. Also, some communication methods chosen were perhaps not very effective at disseminating the results, progress, liaising with media/journalists etc. However, there is a plan for a final event of all the programmes in order to communicate the results and raise awareness about the Grants and the Donor Countries in the wider public.

- Progress and results indicators

Due to the small size of the programmes in Cyprus, the current indicators are mostly generic and do not necessarily reflect progress either at the project level or effects in a broader level. This should be taken into consideration when compiling the programme indicators for the next period.

- Reporting

The reporting template could become more user-friendly and simple. Also, the reporting periods could be reconsidered to take account of the liquidity constraints faced by some of the PPs.

- Payments

The expenses verification procedure should be improved for the next programming period in order to expedite payments.

- Clarified procedures and instructions

In some cases we had to deal with unforeseen developments that required special handling which in turn caused some delay in the implementation of the projects. We will incorporate these experiences for the future.

### 3.2.3 Outputs achieved

In the period under review, implementation for most of the projects was progressing according to the planned or extended timelines. The table below summarizes the output results for each programme area:

Programme Areas	Output Indicators	Output results in 2016
Biodiversity and ecosystem services		
	Area reshaped in sq meters	0 (completed in 2014)
	Number of staff trained on restoration	0 (completed in 2014)
Children and youth at risk		
	Number of rooms renovated	34 (completed)
	Number of men trained	0 (completed)
	Number of women trained	0 (completed)
Conservation and revitalisation of cultural and natural heritage		
	Gallery for the permanent exhibition of the collection established – Area in sq.m.	0 (completed)
	Number of men involved in exchange visits between beneficiary and donor states	0 (completed)
Public health initiatives		
	List of newly discovered biomarkers/ genes	0 (completed)
	Number of new recruited donors during the project period	2.430
Domestic and Gender-based violence		
	Number of purpose build shelter	1 (completed)
	Number of men trained	0 (completed)
	Number of women trained	0 (completed)
Justice and Home Affairs		
	Number of study visit to FIU Norway, FIU Finland and FIU Netherlands and to UNODC by FIU Cyprus	0 (completed)
	Number of contracts signed between FIU Cyprus and UNODC	0 (completed)
Civil Society Support		
	Number of international conferences organized on history teaching	0 (completed)
	Number of international conferences organized on history teaching	0 (completed)

	Number of new collaborations initiated between the H4C/AHDR and NGOs, non-formal groups and other grass-roots organisations	0 (completed)
NGO Fund	Number of Reports and Financial Reports submitted	3 (completed)

In a nutshell, it is noted that all the project outcomes which were expected to be achieved, have been met by the project promoters and based on the status of the implementation of these projects, no deviation from the targets was realised.

A brief description of the implementation progress achieved during 2016 on the individual projects under the three Programmes is given below:

### **A. Projects under the EEA Programme**

#### **(i) "Biodiversity Conservation in the Restoration and Management of the Amiantos Asbestos Mine at Troodos National Forest Park"**

The project has been nearly completed. The pond works that were postponed from previous years due to heavy rainfall, was finally completed in September 2016. The Restoration Manual has been prepared and it will be published in early 2017. Also, the tenders for the construction of a walkway around the pond have been completed and the tender started the construction of the walkway which will be completed by April 2017.

#### **(ii) "Centre for Visual Arts and Research" (CVAR)**

The project is completed and has been in operation since June 2014. However, due to the final cost being less than the expected, the CVAR requested from the donors that the grant rate is increased from 29,8% to 32,52%, in order to be able to receive the whole grant amount. In order to give their final approval, the donors requested that the CVAR presented a sustainability report for the Centre. After the donors approval, the grant rate was increased to 32,52% and the final balance was paid to the project promoter. With this payment, the project reached 100% absorption rate.

#### **(iii) "Transformation of Nea Eleousa to a Day Care Centre for Children and Youth with Multiple Disabilities"**

The construction of the building is completed and all the necessary equipment has been installed. The Centre has been fully operational and it has started its services since September 2016. The project promoter proceeded with its final activity, with the inauguration ceremony in December 2016. The Minister of Labour, Welfare and Social Insurance opened the ceremony, where all stakeholders were invited. TV and radio stations were also invited to cover the event and take photos of the building.

## **B. Projects under the Norway Programme**

### **(i) "Strengthening MOKAS Capacities and Improve Efficiency to Detect Money Laundering and Financing of Terrorism"**

The project is completed in April 2016. In November 2015, the PP organised its closing event by presenting its software to all relevant stakeholders.

### **(ii) "Establishment of a Translational Facility at the Cyprus Institute of Neurology and Genetics"**

The project is completed. The installation of the Genomics and Proteomics facilities have been very valuable for the research work of the Institute.

### **(iii) "Home for Cooperation"**

All the project activities have been completed successfully in 2015 and all payments have been effected. No activities took place in 2016 apart from the bilateral activities (participation to the Saladin Days in Oslo) which were also completed successfully.

### **(iv) "The Cyprus Bone Marrow Registry"**

The project has been completed. In the period under review, new donor samples have been processed, the donor recruitment campaigns have been upgraded with additional hardware and public awareness and donor recruitments have been promoted.

### **(v) "Construction of a new shelter for the victims of domestic violence"**

The construction of the building was completed and the building has been fully operational after the installation of all furniture and fittings. The opening ceremony took place in September 2016. Soon after the ceremony, the shelter opened officially and welcomed the victims of domestic violence.

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## **C. NGO Fund Programme**

Regarding the NGO Fund Programme, all 20 projects were completed successfully, the project promoters submitted their final reports to the Programme Operator and all payments were effected.

### **3.2.4 Potential Risks that may threaten the achievement of the objectives set out in the Programmes**

Several risks are common to the projects and relate to the procurement procedures and to the willingness and readiness of the private sector contractors to meet their obligations.

It is noted that in 2016, one of the main risks was the delay of the completion of the buildings for the Shelter for Domestic Violence and the Nea Eleousa Day-Care Centre and other works and activities in another two projects. However, due to the Donors decision to grant extension of the final date of the eligibility of these projects, the risk for not completing the constructions and the various activities by the deadline of 30 April 2016, was eliminated. Therefore the granted extension for the four projects (SPAVO, Nea Eleousa, Amiantos, Karaiskakio) assisted the efforts of the Project Promoters to complete their projects within the new deadline and meet their objectives.

Furthermore, concerning the potential delays in the implementation of the various components of the projects which may result in failure to achieve targets within the agreed new timelines, the NFP and the PO monitor the implementation of each project closely, through regular monitoring meetings, the Project Progress Reports and frequent communication with the Project Promoters, in order to ensure that any potential deviations from the agreed timeline is identified in time and any issues causing it are resolved. Moreover, regarding the construction of the Nea Eleousa Building, the Public Works Department and the Directorate of Control of the Ministry of Communication and Works have been following the works of the contractor in order to monitor the agreed steps and timelines.

For the NGO Programme, potential risks were identified such as the sustainability of the services funded under the NGO Fund Programme after financing is concluded. This risk was minimized by selecting various types of projects for funding under the Programme as well by stressing to all NGOs the importance of sustainability during all the workshops and the monitoring meetings.

Another risk identified by the PO was the timely completion of the projects. This was dealt by the close monitoring of all projects by the PO officers through regular meetings, emails and phone calls to solve any problems that might hinder the implementation of the projects.

It is noted that further risks that were previously identified by the PO have been dealt with and no further action needed to be taken during the period under review.

In addition to all the above mitigation actions, the DG EPCD in its role as NFP and PO provided continuous support and guidance to the Project Promoters and to the NGO PO. Furthermore, in the NFP/PO there is a designated officer for each project/Programme, where the PPs/PO, can refer to during the implementation of their projects/Programme.

### **3.2.5 The need for adjustments of plans, including actions for risk mitigation**

In order to mitigate the risk of construction and other delays in four projects, the two Programme Agreements have been modified to extent the final eligible period for up to April 2017. The relevant contract extensions were signed with the PPs.

### **3.2.6 The use of funds for bilateral relations**

A lot of effort from the part of the project promoters was put to develop and strengthen the bilateral relations with the Donor States, as was stipulated in their project proposals.

It is noted that the PPs are well aware of the benefits these contacts have, both for the implementation of their projects, as well as for their future efforts in meeting their overall objectives. By these contacts they anticipate to establish sustainable relations with these entities from the Donor States and to gain access to valuable professional, technical, administrative and organizational skills.

In 2016, a number of events took place to strengthen bilateral relations. These events and activities which involved Cypriot and Norwegian officials/experts took place in Oslo and in Nicosia. These are summarized below:

<u>Project</u>	<u>Activity</u>
H4C	Organize and held the "Saladin Days" event in Cyprus with the cooperation of the House of Literature, Oslo
SPAVO	A training workshop (Working with Perpetrators) was organised by SPAVO with a Norwegian expert. All stakeholders participated in this 2-day workshop, which was organised with the cooperation of the Norwegian Shelters
CING	Short term training of two experts for High throughput sequencing (HTS) diagnosis at the Oslo University Hospital
CVAR	"Catherine Cornaro" Theatrical Production at the House of Literature, Oslo and "Travelling Artists" Lecture in Oslo

Apart from the above activities which took place in 2016, it is noted that through the sharing of knowledge and experience between donor partners and the PPs, both sides have managed to establish a network of communication and continue the direct contacts among them, within their budget limits.



## **4. MANAGEMENT AND IMPLEMENTATION**

### **4.1 Management and Control Systems**

There were no changes in the Management and Control Systems (MCSs) in 2016. All the elements of the MCSs were in place and no deviation from what has been described was need to be addressed.

### **4.2. Compliance with EU legislation, national legislation and the MoU**

The financial contribution of the EEA Grants is in compliance with the regulatory environment, including compliance with the MoU. Regarding the MoU, there were no modifications made in the period under review.

As regards matters such as state aid, environmental directives and public procurement, it is noted that state aid and environmental issues were already examined and resolved at the stage of the selection/approval of the predefined projects and no problems are anticipated in this respect. No problems were encountered in the area of public procurement either since all procurement procedures have been carried out in accordance with the legislation provisions of the national procurement (Law N.12 (1) of 2006) which is fully harmonized with the relevant EU Directive, with additional controls in the form of Compliance Certificates issued by the Public Procurement Directorate (PPD) of the Treasury that safeguards the correctness and legality of the procedures followed.

### **4.3 Irregularities**

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During 2016, one case of irregularity has been identified:

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For the outcome "Increased capacity to manage and monitor Natura 2000 effectively", of the EEA Program Project "Biodiversity conservation of the Amiantos Asbestos Mine in Troodos National Forest Park", the incurred amount included in the IFR#9 was €80.627, instead of the actual amount of €41.659. This irregularity incurred due to human error and it was corrected in IFR#10, by deducting the difference of €38.968 ( $€80.627 - €41.659 = €38.968$ ).

The above irregularity has been reviewed and closed by the FMO on 22 November 2016 (see Attachment 4).

#### **4.4 Audit, monitoring, review and evaluation**

During the period under review, 7 out of the 9 projects under the EEA and Norway Programmes were completed, as well as the 20 projects under the NGO Fund Programme.

The DGEPCD in its role as NFP and PO monitored the Projects/Programme through the Project Progress Reports submitted by the POs and through the meetings with the PPs/PO where issues such as the project progress, problems or potential risks encountered, were discussed and resolved. Furthermore, the DGEPCD was in close contact with the PPs through emails and telephone calls for clarifying issues raised by the PPs or solving problems that occurred during the implementation phase.

As regards on-the-spot verification of projects, these have taken place in the process of the verification of their payment claims according to the Management and Control System. Furthermore, the Internal Audit Service carried out six project audits.

It is also noted that the Audit Authority prepared and submitted to the FMO, in accordance with the provisions of the Article 4.6(1.d) of the Regulation, the Annual Audit Report for 2016 (stating the method to be used, the sampling method for audits on projects and the indicative planning of audits throughout the programming period) as well as the revised Audit Strategy 2009-2014, on 30.12.2016.

#### **4.5 Information and publicity**

The National Focal Point has undertaken the following communication and publicity activities, in accordance to the Communication Strategy, which was prepared by the NFP and approved by the Financial Mechanisms Office:

1. Website: Updated the website dedicated to the EEA and Norwegian Financial Mechanisms in Cyprus (<http://www.eeagrants.gov.cy>).

2. Facebook: Weekly feeding of the Facebook page of the EEA and Norway Grants in Cyprus with events organized in Cyprus and sharing the official facebook page of the EEA and Norway Grants with news from other countries events and activities.

It is noted that, the information and publicity activities undertaken so far, have been successful, in terms of raising visibility and awareness about the Financial Mechanisms and their objectives. The facebook page is gaining more and more followers and more people are now aware of the events taking place under the EEA/Norway projects and of the financial contribution of the Financial Mechanisms in

the implementation of these projects. Facebook also assisted project promoters to advertise their events and activities, inviting people to attend. In 2016, there were 45 posts of events in the EEA and Norway Grants Cyprus facebook page, more than 4.000 "likes" on the activities/events included on the Page, 351 people follow the page and a number of comments were received on the posts uploaded.

Overall, the Communication Strategy is implemented in accordance to the timeline set.

As regards the information and publicity activities of the Programme Operator of the cross-sectoral Programme, it is noted that those overlap with the activities which are implemented by the NFP, since both these roles are executed by the DGEPCD.

For the "Fund for NGOs", the PO undertaken the following activities:

(1) Organised the programme final event, earmarking the successful completion of the funded projects, on 14/6/2016 with the participation of all the beneficiary NGOs. It had a discussion character where selected NGOs were called to discuss their experiences in regards to the implementation of their projects. Furthermore, during this event, the NGOs had the opportunity to present their work and results in an exhibition area and discuss between them possible collaboration opportunities.

(2) For the publicity of the NGO Programme, the PO was very active on the programme webpage, where (i) the news and results of funded projects were showcased, (ii) events within Cyprus and outside relevant to the sector were disseminated to the promoters, and (iii) promoters were also informed of the events organised by POs of other beneficiary countries for their participation where possible.

(3) The Facebook page has managed to create awareness about the NGO Programme in Cyprus.

#### **4.6 Work Plan**

The indicative implementation plan of the EEA and Norwegian Financial Mechanisms in 2017 is listed in the table below:

<b>Implementation Plan of the EEA and Norwegian FM in 2017</b>		
	<b>Activity</b>	<b>Timeline for Implementation</b>
1.	Organisation of the 6 <sup>th</sup> Meeting of the Monitoring Committee for the presentation of the Combined Strategic and Annual Programme Report and the	30 January 2017

	progress made in the implementation of the EEA and Norwegian FMs	
2.	Submission of the Combined Strategic and Annual Programme Report for 2016 to the FMO	31 January 2017
3.	Organisation of the Annual Meeting of the Government of the Republic of Cyprus and the Donor States	March 2017
4.	Participation at the Communications Workshop organized by the Donors	31 January 2017
5.	Submission of the Interim Financial Reports for the Programmes	By 15 March, 15 July, 15 November 2017
6.	Bilateral Fund at National Level activities (after the Donor's approval)	April-June 2017

The work plan for the information activities are listed in the table below:

<b>Work Plan for the Information Activities for 2017</b>		
	<b>Activity</b>	<b>Timeline for Implementation</b>
1.	Continuous updating of the EEA/Norway dedicated website in Cyprus	On-going
2.	Updating of the Facebook page "EEA/Norway Grants Cyprus"	On-going
3.	Closing Event dedicated to the Projects under both Financial Mechanisms	October 2017

## **5. SUMMARY LIST OF ISSUES AND RECOMMENDATIONS**

The main effort in the previous year was to proceed with the implementation of the projects which were at their final stages of their implementation.

Given the extension on the duration in four projects, granted by the Donors, has given to the relevant project promoters the time needed to conclude their activities. Almost all projects/programmes have been completed with only a small number of wrap up activities remaining to be concluded by April 2017.

The National Focal Point is pleased with the closure of almost all projects/programmes under the EEA and Norway Grants for this programming period. There has been good cooperation between the project promoters, the programme operators, the National Focal Point, the FMO, the Norwegian Embassy in Athens and the Donors, in order to achieve all results and expected outcomes.

## 6. ATTACHMENTS TO THE STRATEGIC REPORT

1. A table showing the breakdown in respect of projects selected/contracted, as well as the types of intervention supported.
2. Projects with donor project partners in Cyprus - table providing information in respect of donor partnership projects (names of Donor State entities, number and proportion of partnership projects).
3. A summary table on Donor partnership projects on the Beneficiary State level.
4. A list of irregularities detected at the Beneficiary State level and at Programme level during the reporting period and financial corrections made.
5. For each Programme, a list of irregularities detected at project level during the reporting period and financial corrections made.
6. A plan setting out the monitoring and audit activities in the Beneficiary State for the coming reporting period.
7. A risk assessment at the national and programme levels.

## Annex - Strategic report attachment 1

28-Dec-16

### Applications in Cyprus

Reporting year 2016

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### Calls for Proposals

#### Applications for CY02 EEA Programme

Calls for proposals	2013		2014		2015		Total
	Received	Partnership Projects Contracted	Received	Partnership Projects Contracted	Received	Partnership Projects Contracted	
Predefined in MoU		2		1		3	
<b>Total</b>		<b>2</b>		<b>1</b>		<b>3</b>	

#### Predefined project measures:

- Capacity-building
- Capacity-building
- Education and training
- Information and awareness raising
- Infrastructure development and provision of equipment
- Infrastructure development and provision of equipment
- Provision of services
- Research

#### Applications for CY03 Funds for Non-governmental Organisations

Calls for proposals	2013		2014		2015		Total
	Received	Partnership Projects Contracted	Received	Partnership Projects Contracted	Received	Partnership Projects Contracted	
1 Call for proposals for the EEA NGO Fund in Cyprus 2009-2014	109	18	109	20	0	0	218
		0		20		0	38
							20

2 Call for proposals for the EEA NGO fund in Cyprus 2009-2014 (sector capacity building)	1	0	0	1	0	0	0	0	0	0	2	0	1
<b>Total</b>	<b>110</b>	<b>18</b>	<b>0</b>	<b>110</b>	<b>20</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>220</b>	<b>38</b>	<b>0</b>	<b>21</b>

Open call related outcomes:

- Democratic values, including human rights, promoted
- Strengthened capacity of NGOs and an enabling environment for the sector promoted
- Provision of welfare and basic services to defined target groups increased

Applications for CY04 Norwegian Financial Mechanism

	2013			2014			Total
	Received	Partnership Projects Contracted	Received	Partnership Projects Contracted	Received	Partnership Projects Contracted	
Predefined in MoU		4			1		5
<b>Total</b>		<b>4</b>			<b>1</b>		<b>5</b>

Predefined project measures:

- Advocacy
- Capacity-building
- Capacity-building
- Information and awareness raising
- Infrastructure development and provision of equipment
- Infrastructure development and provision of equipment
- Provision of services
- Research

Projects with donor project partners in Cyprus

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**CY03 - Funds for Non-governmental Organisations**

Project id	Project Name	Pre-defined project	Donor state	Donor project partner	Type of organisation
CY03-0008	24 hours - Home Care Service	No	Norway	Norwegian Cancer Society	Other type of NGO
CY03-0015	Development of a Network of Important Bird Area (IBA) Caretakers in Cyprus	No	Iceland	BirdLife Iceland	Other type of NGO
CY03-0018	Implementing Mandatory Sexuality Education for Teens	No	Norway	The Norwegian association for Sexual and Reproductive Health and Rights	Other type of NGO

Projects with donor project partners 3 out of 20 (15.0%)

Planned grant amount for projects with donor project partners € 184,605

**CY04 - Norwegian Financial Mechanism**

Project id	Project Name	Pre-defined project	Donor state	Donor project partner	Type of organisation
CY04-0005	Construction of a new shelter for the victims of domestic violence	Yes	Norway	The Norwegian Secretariat of the Shelter Movement	Umbrella organization / Network of NGOs

Projects with donor project partners 1 out of 5 (20.0%)

Planned grant amount for projects with donor project partners € 742,197

**Cyprus - Summary**

Project grant amount total	€ 6,783,935
Number of projects	28
Number of projects with donor project partners	4
Proportion of projects with donor project partners	14.29 %
Number of programmes *	3
EEA and Norway grants committed	€ 7,221,250

\* Excluding Technical assistance programmes and PAZZ



## Annex - Strategic report attachment 4 & 5

Prepared 28-Dec-16

### Programme/Project and country irregularities in Cyprus as initially reported

Reported by designated entities in or before 2016

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#### Irregularities detected at Beneficiary state level

No irregularities have been reported

#### Irregularities detected at Programme level

Irregularity case	Irregularity status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds	Grant amount reduced
IR-0492	closed	26/08/2016	22/11/2016	2016Q2	N/A	error in payment claim	€38.968	38.968
<b>Total</b>							<b>38.968</b>	<b>38.968</b>