



**REPUBLIC OF CYPRUS**  
**Planning Bureau**

**ANNUAL REPORT 2010**

**for the**

**NORWEGIAN FINANCIAL MECHANISM**

**2004-2009**

**REPUBLIC OF CYPRUS**

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**GLOSSARY OF ACRONYMS**

<b>AHDR</b>	Association of Historical Dialogue and Research
<b>CERA</b>	Cyprus Energy Regulatory Authority
<b>EC</b>	European Commission
<b>EAC</b>	Cyprus Electricity Authority
<b>EEA</b>	European Economic Area
<b>EU</b>	European Union
<b>FM</b>	Financial Mechanism
<b>FMC</b>	Financial Mechanism Committee
<b>FMO</b>	Financial Mechanism Office
<b>GA</b>	Grant Agreement
<b>GOL</b>	Grant Offer Letter
<b>GPS</b>	Global Positioning System
<b>IAS</b>	Internal Audit Service
<b>MC</b>	Monitoring Committee
<b>MoU</b>	Memorandum of Understanding (Kingdom of Norway-Republic of Cyprus)
<b>NGOs</b>	Non Governmental Organisations
<b>NFP</b>	National Focal Point
<b>PA</b>	Paying Authority
<b>PB</b>	Planning Bureau
<b>PP</b>	Project Promoter
<b>PIP</b>	Project Implementation Plan
<b>PIR</b>	Project Interim Report
<b>PM</b>	Project Manager
<b>PPD</b>	Public Procurement Directorate, Treasury
<b>QS</b>	Quantity Surveyor
<b>NMFA</b>	Norwegian Ministry of Foreign Affairs
<b>RES</b>	Renewable Energy Sources
<b>GIS</b>	Geographical Information System
<b>SC</b>	Steering Committee
<b>UN</b>	United Nations

## A. EXECUTIVE SUMMARY

The present Annual Report is prepared by the Planning Bureau acting as the National Focal Point for the implementation of the Norway Financial Mechanism according to article 3.3 of the Reporting and Monitoring Guidelines and in accordance with Article 5 of the MOU signed between the Kingdom of Norway and the Republic of Cyprus on 19 May 2005 in relation to the implementation of the Norwegian Financial Mechanism (FM) for the period 2004-2009 under which an amount of €3,402,000 has been made available to Cyprus.

The report reflects the implementation of the Norwegian FM during the period of November 2009-September 2010 (with a cut off date of 6 September 2010) and contains information with regard to the progress made towards the implementation of individual projects, the implementation of the NGO Fund, on cross cutting issues, publicity measures, commitments and disbursements and actions/activities planned for the next reporting period.

This report is characterised by the timely and successful completion of the first of the individual projects (CY0014) and the completion of the tendering and contracting procedures and the signing of the relevant contracts for two of the projects (CY0011 and CY0015) which were still outstanding by the cut off date of the previous Annual report. Of the individual projects, the three are solely funded by the Norwegian Financial Mechanism and one project as well as the NGO Fund are co financed by both the EEA and Norwegian FM. A list of the approved projects under the Norwegian FM is highlighted in grey in the table below:

Norwegian Financial Mechanism 2004 - 2009 - FINAL ALLOCATIONS					
Project Title	Grant Approved €	Allocation between Financial Mechanisms		Co-financing €	Name and legal status of PP/ Intermediary
		FMC	NMFA		
<b>CY0011:</b> Revitalising the buffer zone: An Educational Center and Home for Cooperation	749,920	332,740	<b>417,180</b>	272,884  (172,884)**	Association of Historical Dialogue and Research (AHDR) NGO
<b>CY0012:</b> Preparation of an Integrated Management Plan for the Pafos Forest, in Cyprus	447,226	447,226	-	89,274*	Dept of Forests (Govt Dept)
<b>CY0013:</b> Cyprus Archaeological Digitisation Programme – CADiP	281,809	-	<b>281,809</b>	113,158*	Dept of Antiquities (Govt Dept)
<b>CY0014:</b> Restoration of Salamiou village old school building, for use as a regional centre for environmental education	624,784	-	<b>624,784</b>	110,256 (22,050)*	Salamiou Village Council (Community/Local Authority)
<b>CY0015:</b> A zero CO2 emissions electricity generation prototype (ZeroCO2)	748,856	-	<b>748,856</b>	137,679 (27,535)*	University of Cyprus (Body governed by Public Law)
	<b>2,852,595</b>				
<b>CY0017:</b> NGO Fund	1,499,967 (146,250) Mgt Fees	404,991	<b>1,094,976</b>	167,033*	First Elements Euroconsultants Ltd/ Euroconsultants SA
<b>TOTAL:</b>	<b>4,352,562</b>	1,184,957	<b>3,167,605***</b>		

\* To be covered by National Funds

\*\* Includes also financial contribution under the Swiss Mechanism (€118,324)

\*\*\* Does not include FMO management costs and costs for appraisal, monitoring and ex post evaluation

More specifically this reporting period marks the completion of the project CY0014 «Restoration of Salamiou village old school building, for use as a regional centre for environmental education» without major problems or delays and for which an opening ceremony has been arranged to take place on 17 October 2010.

The other three individual projects are currently under implementation since all of the PPs have successfully completed the tender and contracting procedures. In addition all 33 subprojects under the NGO Fund are under implementation and are expected to be completed by October 2010. It is noted however that two of individual projects faced considerable delays during the tendering procedures resulting to a very tight implementation time schedule. For this reason the Planning Bureau as the National Focal Point continues to exercise close monitoring of all projects through the bimonthly meetings established between the NFP and the Project Promoters (PP) in order to discuss the progress of the projects and suggest solutions for overcoming any problems that may arise. Overall 23 such meetings took place during the period between November 2009 and September 2010.

Relating to the cooperation with the audit firm Deloitte, this has progressed as planned. During the reporting period the auditors have audited 8 monthly payment requests for the Salamiou and the NGO House projects and 6 PIRs for all four projects and the NGO Fund.

Since 2008 the Paying Authority has submitted 14 PIRs to the FMO for a total amount of €1,746,997 whereas all requested amounts have been reimbursed to Cyprus soon after without the need for further clarifications or corrections.

Three PIP Modification Requests have been submitted to the FMO according to the relevant procedures set by the FMO, all of which have been accepted. The need for these requests arose in order to reflect the delays in the initiation of the projects, the subsequent extension of the projects' duration and the increased projects' costs, following the completion of the tender procedures. As a result three revised Project Implementation Plans have been prepared and approved by the FMO concerning the projects CY0011, CY0013 and CY0015.

Overall it is noted that during the reporting period there has been a considerable progress in the implementation of the FM since following the delays occurred during some of the projects' tender procedures, all the projects have entered into the actual implementation stage whereas project CY0014 has been successfully completed. Based on the above, it is believed that the expected results will be fully achieved and they will have a positive impact on the sectors covered by the projects. Concerning the NGO Fund subprojects, since their implementation is now at an advanced stage, it is expected that the aims of the Fund will also be fully achieved.

The effort for the next reporting period will be concentrated on the successful completion of all remaining individual Projects and the sub projects under the NGO Fund. It is noted that all relevant players ie NFP, the PA, the Audit Firm Deloitte, the PPs and the Intermediary for the NGO Fund, are working towards the implementation of the common aim which is the timely completion of all the projects and the disbursement to the Cyprus Government of all approved amounts under the FM.

## **B. REVIEW OF THE IMPLEMENTATION STATUS**

### **B1. Implementation Framework and Regulatory environment**

During the reporting period, the NFP under its task to facilitate and coordinate the implementation of the assistance offered through the FM and on the basis of the implementation framework and regulatory environment of the Mechanism, took the following actions:

- (a) The cooperation with the audit firm responsible to implement audits for the projects approved under the Financial Mechanism on behalf of the NFP, is proceeding as planned and according to the audit planning document prepared by the firm. They have proceeded with the audit of 8 Payment claims for both the Salamiou and the NGO projects whereas there were 6 PIRs audited and equivalent number of reports were submitted to the NFP for further processing. The NFP submitted all audited PIRs to the Paying Authority.
- (b) On the basis of the Irregularities Guidelines, the NFP has submitted to the FMO three regular reports within the time limit set out in the Irregularities Reporting Guidelines ie within two months following the end of each quarter. Within the reporting period there were no irregularities to report.
- (c) Bimonthly meetings continued to take place between the NFP and the Project Promoters (PP) in order to discuss the progress of the projects and suggest solutions for overcoming any problems that may arise. This arrangement proved to be of a significant value specifically for the projects which faced substantial delays and problems during their tender, contracting and implementation procedures, since in many cases the NFP could assist in overcoming time consuming procedures (e.g. approval of planning and construction permits, compliance letters, project modification requests etc). These efforts were also enhanced by daily exchange of phone calls, emails and letters.
- (d) The NFP continued to ensure that all actions taken by the PPs for tendering/contracting for the individual projects were in compliance with the Public Procurement Directives. In this respect all tenders carried out so far for the various project components received a relevant Letter of Compliance from the Public Procurement Directorate of the Treasury (PPD) which is the national competent Authority for procurement Issues. These Compliance Letters are issued (i) at the stage of the preparation of the tender documents and before publication is made and (ii) for the evaluation reports and before the contracts are awarded and signed.
- (e) Since all individual projects approved had gone through a state aid screening by the Commissioner for the Control of State Aid prior to their submission to the SC, no further State Aid issues were raised. The same applies for the sub-projects implemented under the NGO Fund since these were submitted by the NGO Fund Intermediary to the State Aid Commissioner for screening of their compliance with the State Aid Rules prior to the Selection Meeting.
- (f) The NFP ensured that in the case of the individual projects all procedures emanating from the relevant environmental directives were followed. It is noted in this respect that no further issues were raised for the approved projects following their appraisal by the external appraisal agents. Regarding the need for the preparation of an Environmental Impact Assessment (EIA) study for Project CY0015 (Zero CO2 Emissions) the PP was informed by the competent department that the small size of the wind turbine to be procured through the project does not require the preparation of such a study and the Environment Service expressed its non objection for the implementation of the project. Nevertheless such a study had to be prepared by the PP and submitted to the Cyprus Energy Regulatory Authority (CERA) together with all information necessary on the specification of the wind turbine so that the operational and construction permit

for the set up of the prototype could be issued by the Authority. These permits were granted on the 24 June 2010.

Further to the above, the Internal Audit Service, performed during December 2009 an audit concerning the project CY0014 covering the procurement procedures and the audit trail kept by the PP. The report prepared concluded that the tender procedure followed and the keeping of a sufficient audit trail for the project by the PP being the Salamiou Community Council, were in accordance with the requirements specified in the legal framework of the MOU, with the rules and procedures as well as the Guidelines of the FM.

In addition two external Monitoring missions took place during the reporting period for projects CY0013 and CY0017. Specifically the NFP assisted the FMO by scheduling and participating in meetings arranged for the external monitoring of Project CY0013 that took place between the period 12-16 April 2010 by the company 'INTEGRATION International Management Consultants GmbH'. The final Evaluation Report was submitted by the FMO and all relevant recommendations were taken into consideration by both the NFP and the PP.

In addition an external Monitoring and an evaluation mission took place for the project CY0017. Specifically for the monitoring mission, the meetings were arranged from 17 to 22 May 2010 by the company 'Baltic Project Consulting'. The draft Monitoring Report was submitted by the FMO on 9<sup>th</sup> June 2010 and the Intermediary and the NFP submitted their comments on 2<sup>nd</sup> July 2010. The final Monitoring Report was submitted to the NFP on 31 August 2010.

As regards the evaluation mission, it took place during the period 3-17 March 2010 by the company 'PITIJA'. The purpose of the evaluation was to provide an independent evaluation of the contribution of the EEA and Norwegian Grants 2004-2009 to the NGO Sector. The draft Evaluation report was submitted by the FMO on 1<sup>st</sup> June 2010 and the NFP and the Intermediary submitted their comments on 15 June 2010. The final report has not yet been submitted to the NFP.

As regards problems encountered during the reporting period and proposed solutions, the major horizontal problem relates to the delays in the procurement procedures resulting to a very tight implementation time schedule for at least two of the projects (CY0011, CY0015). The solution to such problems is the close monitoring on behalf of the NFP and the readjustment of the project timeframe by the PPs in order to take account of the delays.

In addition a common need occurred during the reporting period for three individual projects to proceed with PIP modification requests towards the FMO, so as to reflect reallocations of funds between activities and budget headings, revised time plans and /or increased project costs. As a result three revised Project Implementation Plans have been prepared by the PPs submitted through the NFP and approved by the FMO which are now considered as the new project base lines for the projects.

## **B2. Individual Projects**

The approved four projects cover the priority areas set by the FM of Protection of the Environment and Conservation of European Cultural Heritage. The PPs include government departments, NGOs, local authorities and bodies governed by Public Law.

During the reporting period, one of the projects has successfully been completed (CY0014) whereas all other projects were under implementation since the tendering procedures for the last two of the individual projects (CY0011, CY0015) were finally completed and the PPs proceeded with the signing of the relevant contracts. The list of all contracts signed for the approved projects is shown as Annex 1.

The project completed (CY0014) covers the priority area of Conservation of Cultural Heritage and the PP, being the Community Council of Salamiou village has successfully implemented the project without major delays, materializing the overall project purpose to restore the old school building and establish the "Centre for Environment Education" in the Salamiou village.

Project CY0015 entitled "A zero CO2 emissions electricity generation prototype (Zero CO2)" and implemented by the University of Cyprus was the last to have completed the contracting procedures mainly due to delays in the PP's internal tender procedures and the unsuccessful first tender procedure for the acquisition of the necessary equipment. As a result the time schedule of the project activities remains very tight and a close monitoring is needed to safeguard its timely completion.

Relating to project CY0013, the FMO decided to monitor the project based on the significant delays that occurred during the procurement stage which raised concern about the project's ability to be completed by the eligibility deadline. The final Monitoring Report identified the overall project progress as being satisfactory and a number of recommendations were included in the report to be taken into account by both the NFP and the PP in the remaining implementation period of the project.

For project CY0011, a major development was the completion of the tendering and the contracting procedures for the reconstruction of the building and the initiation of the actual works in February 2010. This however raised two major issues of concern ie the tight implementation schedule of the project and the need for the PP to provide from its own resources an amount equal to €204.000 to cover for the increased construction costs. As a result close monitoring is exercised by the NFP so that the PP secures all additional funding necessary for the timely completion of the project.

As a general statement on the progress in respect of the status of the ongoing individual projects it can be noted that two of the approved projects (CY0011, CY0015) are facing a tight implementation schedule and a close monitoring by the NFP through meetings, letters, emails etc is exercised in an effort to expedite all steps for their successful execution and timely completion whereas the third one (CY0013) is progressing at a satisfactory pace.

A more detailed analysis of the status of the projects appears below:

### **Progress on each individual project:**

#### **CY0011 – Revitalizing the buffer zone- An Educational Centre and Home for Cooperation**

The purpose of this project is to restore a building of historical importance and the establishment of its functionality as an intercultural centre with the overall objective to conserve European cultural heritage with a view to initiate sustainable livelihoods in the buffer zone. The revised estimated total eligible cost is €1,227,258 and the revised estimated project's duration is 39 months. The grant approved under both FMs amounts to €749,920 (EEA: €332,740, Norwegian €417,180). The PP is the Association of Historical Dialogue and Research, (AHDR), a bi-communal NGO which will cover the remaining cost from own funds and donations.

#### ***Project activities***

The project includes the following activities and results:

Acquisition of a building in the buffer zone (for a value not exceeding €427,153); Restoration and equipment of the selected building in the buffer zone; Landscaping of the plot; Publicity measures.



### ***Tender procedures and Project progress***

During the period covered by the Annual Report, the PP completed all the procedures for:

- i. The issuing of the Planning Permit which was issued by the Nicosia Municipality on 8 December 2009.
- ii. The issuing of the Construction Permit for which an application was submitted as soon as the Planning permit was issued and was approved by the Nicosia Municipality on 2 February 2010.
- iii. The tendering and contracting for the restoration of the building which was initiated on 30 October 2009 and resulted in the signing of a contract of an amount of €676.440 on 25 January 2010. The construction works commenced on 8 February 2010 and will be finalized by February 2011.

The completion of the tender procedure highlighted two major issues that had to be resolved:

(i) Extension of Project Duration

Due to the substantial delays faced during the stage of the issuing of the Planning Permit and the subsequent delay in launching and contracting the tender for the renovation of the building, the actual works were initiated in February 2010 instead of January 2009 as originally planned. As a result, the revised timeframe for the completion of the project is April 2011 instead of August 2010 as stated in the originally approved PIP.

(ii) Increase in the Total Project Budget

The completion of the tender procedures, resulted in an increase in the construction costs by over €200.000, compared to the budgeted amount which was mainly due to an increase in the amount of demolitions and reinforcement needed and the purchase of roof tiles that were not included in the first estimate. This led to an increase of the total cost of the project from €1.022.804 to €1.227.258. The increased cost has to be provided from the PP's own resources according to the agreements signed between the parties. In this connection, the PP exercised efforts to secure additional funds from the Ministry of the Interior through various financial incentives that are available according to the regulations on "Listed Buildings" such as subsidies towards reconstruction costs, taxation motives (i.e. exemption of property tax, exemption of transfer fees) etc and also through the sale of the available plot ratio, an action approved by the EEA/EFTA donor states on the 15 December 2010 following lengthy discussions on the issue. The PP submitted the application for both the sale of the plot ratio and the financial incentives to the Ministry of the Interior which was approved on 3 May 2010. According to the approval granted, the value of the plot ratio is €232.647 and the financial incentive equals an amount of €90.000. These funds will enable the PP to cover the additional construction cost whereas, on the basis of the EEA/ EFTA Donors suggestion, any remaining surplus will be used for energy saving activities not included in the current budget estimate thus contributing further towards the project's long term sustainability. Following this, the PP proceeded, on 9 May 2010, with the announcement of the sale of the plot ratio through the daily press which resulted in the signing of two contracts with a construction company for an amount of €232.000, representing the total of the value of the plot ratio approved by the Ministry of Interior.

The fact that the PP did not have the necessary additional funds and that it would have to cover the project remaining cost from the above mentioned funding sources, could create liquidity problems since the procedures to secure such funds are time consuming. As a result of the above developments and in an effort to alleviate the project's funding and liquidity constraints, the donors under the EEA/Norwegian Financial Mechanisms decided to support the PP through the following measures:

- The €100.000 advance payment from the Financial Mechanisms will be set off as late as possible, which will result in no retention amount for the Project Completion Report (PCR).

- The reimbursement of eligible expenses from the Financial Mechanisms and other originally approved co-financing sources will continue until these funds (€1.022.804) have been fully used. The EA has to cover the cost overrun, which will be a non-reimbursable expense. With this arrangement the EA will be provided with additional time in order to secure the necessary funding for the cost overrun.
- The transfer of certain amounts from other activities towards the activity of construction, in an effort to cover part of the increased construction costs.

In addition to the above, the NFP decided also to proceed with the gradual release (in three installments) of the €100.000, which is reserved by the Bank as a Bank Guarantee against the co-financing obligations of the EA. Following a request by the NFP and given the expenses the PP incurred during the period April 2008 –July 2010 mainly for consultancy fees and construction works, the first two instalments of the bank guarantee amounting to €70.000 have been released by the bank. This was preceded by an addendum of the pertinent Article 10 of the Implementation Agreement which was signed between the NFP and the PP on the 9 April 2010.

As another measure to facilitate cash flow, the NFP has urged the PP to enhance their efforts for securing the soonest possible additional funding from various Organizations / Embassies in the form of donations.

It was also agreed between the PP and the NFP that in order to facilitate the PP's cash flow, the NFP would reimburse the PP on a more regular basis and upon the submission of the invoices issued by the contractor instead of the periods defined in the PIRs. For this purpose, the PP submits to the NFP payment claims which are being examined by the independent auditors (Deloitte Ltd) and once their approval is given, the payment is made by the Planning Bureau. The claims are subsequently used for the completion of the PIR for the respective reporting period. So far one such Payment Claim was submitted and processed for an amount of €149,808.

As far as current construction works are concerned despite some delays related to the initial refusal of the T-shirt shop owner to evacuate the building, this problem has been resolved and the construction works are proceeding as planned and within the original time plan of 12 months. Specifically the contractor has so far proceeded with the demolition and construction of a new roof, removed obsolete brick walls to the ground and first floor and re erected new walls according to drawings. He also finalized the first electrical installation, installed timber frames to internal doors and laid the screed on the floors.

According to the latest information provided by the PP, due to unforeseen additional works, the total cost of the reconstruction of the building could increase by €85.000(+VAT). These works relate to additional costs for the roof, the poor quality of the interior walls and the floor, to the decision to proceed with the construction of the lift infrastructure (not included in the initial cost estimate) etc. It is noted in this respect that an amount of €35.000 was already included in the contract for such unforeseen works. In case this amount is finally exceeded, the PP intends to cover these additional costs through the UNDP ACT Programme's contribution of €100.000 that was agreed between the PP and the Programme Manager of the UNDP ACT Programme. This amount was derived as savings within the project "Multiperspectivity and Intercultural Dialogue in Education", which the PP is currently implementing under the UNDP ACT Programme, for an amount of €1.1 m.

During the reporting period one PIR was submitted to the FMO (PIR 2) for a total amount of €1.806. However during the next few months this amount is expected to increase significantly since the amount reimbursed to the PP by the NFP under the Payment Claim mentioned above, will be reflected in the next two PIRs.

***PIP modification***

An updated PIP had to be prepared by the PP in order to:

- (i) reflect the €100,000 provided as an additional advance payment by the FMO in July 2008 and which the FMO decided to set off as late as possible, resulting in no retention amount for the Project Completion Report (PCR),
- (ii) update the entire time schedule of the activities due to the delays occurred in the acquisition of the property and during the planning permit application,
- (iii) reflect financial transfers between activities and between budget headings and
- (iv) update the eligible total cost following the above transfers and latest cost updates based on the contracts signed, to 1,227,258 euro. This includes 204,454 euro cost overrun compared to the original budget, which will not be reimbursed from the FMs (i.e. non-reimbursable eligible expense) and will be covered entirely by the PP.

All of the above were included in two consequent project modification requests that were submitted to and approved by the Financial Mechanism Office (FMO) on 17 February and on 17 March 2010 respectively. All changes were then reflected in a revised Project Implementation Plan (PIP) which was drafted with the guidance and assistance of the FMO.

***Bi-monthly meetings***

Regarding the monitoring of the progress and implementation of the project, five bi monthly meetings took place between the PP and the NFP during the period between October 2009 and September 2010 (16/11/2009, 1/2/2010, 22/4/2010, 24/6/2010, 31/8/2010). These meetings contributed in overcoming problems faced by the PP during the various stages of the project implementation (ie financial constraints of PP, increased costs, sale of the plot ratio etc.). The minutes of these meetings are copied also to the FMO for information of the Donor States.

***Risk Assessment***

From all the risks identified at the application stage only the risk related to the particular crossing point of Ledra Palace being closed by initiative of either side has not materialized so far. All other risks did materialize and various actions were /are taken for their mitigation. More specifically, regarding the risk relating to the delay in granting the planning permit by the Nicosia Municipality this did materialize with a consequent substantial delay in the initiation of the reconstruction works. The PP in an effort to minimize the possibility of not completing the project within the eligibility period revised the construction period from 15 to 12 months which was reflected in the tender documents and the contract signed between the PP and the Contractor.

The impact of the risk concerning the relative inexperience of the Board of the AHDR with managing conservation projects has been minimized since a full project management team of professionals has been employed (i.e. project manager, architects, engineers, QS and certified accountants). However despite of the efforts of the project management team, there are still weaknesses and deficiencies specifically as regards monitoring and reporting obligations as well as in the financial management. As a result the NFP is in close contact with the PP so as to guide and facilitate the whole process in the best possible way. At the same time the PP has decided to strengthen the capacity of the project management team by assigning part of its duties such as PIR preparation, to the Project Manager employed by the AHDR under the UNDP ACT project mentioned above.

Further to the above, new risks have been identified during the implementation procedure including (i) possible delays that could arise due to the location of the building and (ii) the sustainability of the project especially in view of the possibility of increased cost for reconstruction works and liquidity problems the PP could face in meeting the payment orders issued by the contractor. The PP in an effort to minimize the first risk included such a possibility in the tender documents so that it could be taken into consideration by the contractor from the early stages of the construction works. So far this does not seem to have imposed any additional burden to the time schedule of the project. On the contrary, the second risk identified did materialize as soon as the tender procedures were completed and the

increased cost of the construction works had to be provided by the PP. In minimizing the negative effect this could have to the completion and sustainability of the project, both the Donors and the NFP adopted various measures as explained in detail under the section of the project progress above, whereas the PP enhanced its efforts to secure additional funding from other donors as well as by applying for the various financial incentives for the category of “listed buildings” with considerable success.

It is noted however that the PP’s efforts should be further enhanced so that the project sustainability is strengthened and secured well beyond the completion of the project. In this respect the PP has already employed a specialized project manager under the UNDP ACT project who will inter alia be responsible for the promotion of activities and actions that will ensure the sustainability of the NGO House.

### **CY0013 – Cyprus Archaeological Digitization Programme-CADiP**

The purpose of this project is the digitization of documentation and other information relating to all ancient monuments and to the movable antiquities found in the Paphos Museum with the overall objective of improving the management of information relating to antiquities. The revised project overall cost amounts to €394,967 whereas the grant under the Norwegian Financial Mechanism amounts to €281,809. The revised project’s duration is estimated to 37 months. The PP is the Department of Antiquities.

#### ***Project activities***

The completed Project shall include the following activities and results: Procuring and developing the Geographical Information System, (GIS), including the purchase of hardware, system development for the automatic updating of spatial data from the servers of the Land and Survey Department, and the creation of a website making part of the database available to the public; Purchasing software licenses; Hiring of archaeologists; Scanning of archival photos and drawings; Digitisation of related information; Training of system users; Publicity activities.

#### ***Project progress***

Due to the delays in the tendering procedures caused by the appeals submitted to the Tender Review Authority, the contract for the GIS and the hardware was signed with a considerable delay on 20<sup>th</sup> October 2009 instead of April 2009, for an amount of €280.858. This amount exceeded the budgeted amount by €100.000. The PP will cover the difference with a financial transfer of savings from the budget heading “Labour” towards the budget heading “Contractor”. This saving was due to the shortening of the time duration of the archaeologists’ contract from 24 months to 19 months which resulted from the above mentioned delay in signing the contract for the implementation of the GIS System. The rest of the amount will be covered by the PP from National Funds.

As far as the implementation of the contract is concerned, the contractor is proceeding with his contractual obligations and he is developing the system as planned. More specifically during the current reporting period the contractor:

- (i) delivered the inception and the implementation report and all scanners and printers as agreed
- (ii) developed and installed the GIS System in June 2010
- (iii) proceeded with testing of the system and the training of the users which was completed by the end of July 2010 and
- (iv) delivered the system by early August

Following the above developments, the system is currently operating on a pilot basis and if no problems occur the final acceptance of the system will take place by November 2010. The final payment to the contractor for which the contractor will issue a bank guarantee to the PP of an equivalent amount, will also take place by November 2010. It is also noted that a warranty period of one year duration will

follow and by the end of the warranty period the Bank Guarantee, will be returned to the contractor. It should be also noted that the contract is under close monitoring by the PP and that its implementation progress is followed up through agreed milestones.

The close cooperation of all departments related to the project was also ensured including the Department of Lands and Surveys which provides direct access to the specific data needed by the PP for the implementation of the project.

Regarding the four archaeologists recruited under the project, they have completed the scanning of the archival data and are progressing with their input into the data base. So far they have incorporated input for approximately 800 movable antiquities and 600 ancient monuments. In an effort to ensure that the input of data will cover the target number of movables as set in the revised PIP, the following measures have been taken since the initiation of the project:

- a temporary data base was set up by the contractor at the early stages of the implementation of the project to incorporate archival data by the archaeologists. This activity was agreed between the PP and the contractor in an effort to make up for the time lost during the tender procedure. All data was subsequently transferred in the data base established under the GIS.
- an additional body was added to the project's team through the scheme of volunteer archaeologists
- the input of data takes place in a less extensive form but all necessary data is included.
- the PP is exercising a close monitoring on the progress of data input so that an additional archaeologist can be used if necessary.

During the reporting period, one PIR was submitted to and approved by the FMO (RIR 4) for a total amount of €84,481.

#### ***PIP Modification***

Due to the delays that occurred during the tendering procedures and the signing of a contract for an amount increased by € 100.000 compared to the estimated contract price included in the project's PIP, the PP had to submit to the FMO through the NFP a PIP modification request to reflect :

- the delay in the implementation of activities
- the transfers between Headings and activities
- the increased total project cost and
- the extension of the project's duration

The Project Modification request was submitted to the FMO on 16 February 2010 and was approved on the 3 March 2010. A revised PIP was subsequently completed by the PP and approved by the FMO reflecting the above changes.

#### ***Bimonthly meetings***

Regarding the monitoring of the progress and implementation of the project, four bi-monthly meetings took place between the PP and the NFP during the period between October 2009 and September 2010 (15/12/09, 18/2/2010, 26/4/2010, 21/7/2010).

#### ***External Monitoring Mission***

During the reporting period and specifically between the 12-16 April 2010, an External Monitoring Mission took place on behalf of the FMO based on the FMO's concern about the project's ability to be completed by the eligibility deadline as a result of the delays incurred during the procurement stage.

The FMO submitted the final monitoring report on the 31 May 2010 and noted that the monitoring agent identified the project as satisfactory but also made the following recommendations on areas where the project could be at risk in the future:

- The PP should ensure that the provision of the necessary data by the Lands and Surveys Department will continue beyond the completion of the current project thus ensuring its sustainability. This could be achieved through the signing of an informal agreement between the two Departments or by commonly agreed minutes of a meeting to be held for this subject.
- The use of an additional archaeologist for the digitization of the antiquities should be considered in order to ensure the timely completion of the digitization process.
- Specific milestone meetings between the key players could take place in order to avoid possible delays and problems and take the necessary corrective actions if needed in order to safeguard the timely completion of the project.
- The monthly reports submitted by the contractor to the PP could be copied to the NFP as an additional tool of monitoring the implementation of the project.

The PP agreed with the above recommendations and is proceeding accordingly with the necessary actions.

### ***Risk Assessment***

The identified risks of the project related to the lack of information and photographs in the Department of Antiquities, to equipment failure, loss of data and insufficient provision of technical support.

These risks were mitigated through the continuous research conducted in the archives of the Department where more information and photographs were located and through the provisions included in the technical tender documents for requesting warranty and operational support after the implementation and pilot testing of the system, as well as a four year operational support following the completion of the project. The cost of these services will be covered from national funds.

Other risks that were not identified at an earlier stage but did occur during the tendering stage causing a substantial delay in the implementation of the project, concerned the appeals submitted by tenderers. The negative effects of this delay were minimized with the relevant measures taken by both the PP and the contractor as already mentioned in the above paragraphs (close monitoring, continuous input of data through temporary data base, setting specific monitoring milestones, enhancement of the team working for digitization etc.) As already noted, the delay will not affect the eligibility of payments under the contract due to the provision included by the PP in the contract signed for final payment by November 2010 against the submission of a bank guarantee of an equivalent amount.

### **CY0014 – Restoration of Salamiou Village Old School Building for Use as Regional Centre for Environmental Education Cyprus**

The purpose of the project is to restore the old school building and establish the “Centre for Environmental Education” in the Salamiou Village with the overall objective to preserve the cultural heritage and increase the competences in the field of sustainable development in Cyprus. The total estimated eligible cost amounts to €735,040 whereas the Grant amounts to €624,784 (or 85% of the total eligible project costs) and will be covered by the Norwegian Financial Mechanism. The project’s revised duration is estimated to 29 months. The PP is the Community Council of Salamiou village.

### ***Project Activities***

The project includes the following activities: Reconstruction of the old school building including installation of a solar heating system; Construction of a new building for sanitary facilities; Purchase of furniture and IT equipment; Project Management and promotion.

***Project Progress***

Reconstruction of the old school building and construction of the new building and sanitary facilities progressed almost as planned with a few months delay caused by adverse weather conditions in the winter. This delay was covered with the extension of the duration of the contract with the building contractor through the signing of a relevant addendum on 29/12/2009. In addition all furniture and equipment were procured and installed in the building, by both the Pedagogical Institute of the Ministry of Education and Culture and the PP.

As a result, by the report's cut off date almost all targets of the project indicators were met. More specifically at the purpose level, two buildings were constructed /renovated and at the results level, 301 sq. meters of building were restored, seven rooms were completed, one solar heating system was installed and six fully operational sanitary facilities were constructed. Finally 45 furniture items were installed and 41 computers were procured.

It is noted in this respect that as the PP is required to pay the contractor every month, the NFP continued to reimburse the PP on a payment claim basis instead of the periods defined in the PIRs, so that the PP's cash flow was facilitated. For this purpose, the PP forwarded to the NFP payment claims which were examined by the independent auditors (Deloitte Ltd) and once their approval was given, the payment was made by the Planning Bureau. These claims were subsequently used for the completion of the PIR for the respective reporting period.

During the reporting period two PIRs were submitted to and approved by the FMO (PIRs 3 and 4) for a total amount of €216,580.

***Risk Assessment***

Identified risks of the project, relate to procurement procedures, the smooth and timely execution of the construction works to the quality required, and attaining the necessary equipment for the operation of the Centre.

The project was successfully completed and the only minor risk that materialized (ie slight delay in the completion of the construction/restoration works) was mitigated with the extension of the contract of the building contractor.

***Bi-monthly Meetings between NFP and Project Promoter***

During the reporting period four bimonthly meetings were held at the Planning Bureau (on 14/12/09, 19/2/10, 26/4/10, and 6/7/10), during which briefing was provided by the Project Manager on all aspects of the project, the project progress was discussed and future actions agreed upon.

**CY0015 – A zero CO<sub>2</sub> emissions electricity generation prototype (zero CO<sub>2</sub>)**

The aim of this project is to construct a prototype electric power station that will be operating based on renewable sources and will have zero CO<sub>2</sub> emission. The PP (University of Cyprus), believes that the proposed prototype holds the key to developing a regulated emissions-free renewable power station and make it a viable solution for the future. The total cost of the project is €886,535 whereas the Norwegian Financial Mechanisms' contribution amounts to €748,856 (or 84,47% of the estimated eligible cost). The revised time duration of the project is 28 months.

***Project activities***

The main activities of the project will be: ordering and installing the equipment, operating the prototype, monitoring the operation of the prototype under various conditions, economic analysis and viability for a larger 100 MW station based on the operating experience of the prototype.

This project was the last to be approved by the FMO on the 22<sup>nd</sup> of December 2008 since the FMO waited for the availability of land use and other permits for the initiation of the approval process of the project. The PP obtained all necessary permits by November 2008.

### ***Tender procedures***

Following the first unsuccessful tender procedure for the acquisition of the wind turbine, the University of Cyprus proceeded with a second launch of a tender procedure for the wind turbine of a minimum two weeks duration. The tender was launched on 17 November 2009 and the deadline for the submission of tenders was set for the 8<sup>th</sup> December 2009. Concurrently to this procedure, the PP launched on 27 October 2009 the second tender which included 5 main items of equipment (fuel cells, electrolyzer, machines etc) of a total value of €400.000. The closing date for tender submission was the 15<sup>th</sup> December 2009.

Following the evaluation of the tenders submitted under both tender procedures, the contracts for both the wind turbine and the additional equipment were finally signed on the 9/4/2010 and 26/3/2010 for the amount of €175.000(+VAT) and €349.950(+VAT) respectively. The delays faced until the signature of the contracts were due to the lengthy internal tender procedures followed by the University of Cyprus. It is also noted that under the contracts, all equipment items have 6 months delivery time ( ie the delivery and installation of the wind turbine and for all other equipment is due by September 2010).

### ***Project Progress***

The delay in the completion of the tender and contracting procedures which has inevitably affected the time plan of the project's implementation will be covered through the following measures undertaken by the PP:

- The relevant tender documents require for the implementation of the prototype to be executed by the contractor who will deliver the various items of equipment on the basis of a turnkey project and not by the PP as originally planned. As a result it is expected that the installation of the prototype will take around one month instead of 11, thus saving substantial time for the project's implementation.
- The duration of the project has been extended from January 2011 to April 2011.
- Activity 5, concerning the economic analysis and viability for a 100 MW system has been initiated by the PP well ahead of the time originally planned (i.e. in November 2009 instead of September 2010) by using specific software simulations.
- The project management has been enhanced and will continue to be in intense mode until the completion of the project.

Further to the above, the PP has proceeded and finalized on time all preliminary activities that should be implemented prior to the set up at the prototype i.e. works on site, issue of the permit for the set up of the prototype by the Cyprus Energy Regulator Authority (CERA), the agreement between the University of Cyprus and the Cyprus Electricity Authority (EAC) on the interconnection terms for both the wind turbine as well as the prototypes output to the medium voltage network of the EAC.

Consequently the time plan of all pending activities is revised as follows:

- Delivery and installation of wind turbine and other equipment: September 2010.
- Prototype connected and set up: October 2010.
- Offline Testing: November 2010.
- On line operation/connection of Prototype to the EAC network/testing: December 2010 – April 2011



During the reporting period one PIR was submitted to and approved by the FMO (PIR 2) for a total amount of €65,629.

### ***PIP modification***

As soon as the PP finalized the contracting procedures and signed the relevant contracts, a PIP modification request was prepared, in order to reflect mainly transfers in budget and activities headings, the delay in the implementation of the activities and the prolongation of the project duration.

The Project Modification request was approved by the NFP and was submitted to the FMO on the 15 May 2010. The FMO approved the modification request with its letter dated 28 May 2010. All changes were reflected in a revised PIP.

### ***Bimonthly meetings***

Regarding the monitoring of the progress and implementation of the project five bi monthly meetings took place between the PP and the NFP (30/11/2009, 3/2/2010, 14/4/2010, 18/6/2010, 1/9/2010). These meetings contributed inter alia in expediting the internal tender procedures of the PP so that the project could commence without further delays.

### ***Risk Assessment***

The risks identified during the application stage related to (i) the permission to install the wind turbine at the proposed location not to be granted and (ii) the proposed method not to work. Risk (i) does not hold anymore since all necessary permits have been granted before the project was finally approved by the FMO whereas for risk (ii) the research team has already identified other alternative methodologies that will achieve the required target in case the proposed method is not successful ie by connecting the wind turbine directly to the grid and generating electricity in the conventional way.

Further to the above risks, additional risks were also identified and included in the PIP by the PP. One of the risks included under activity 2 was related to possible delays in the tender procedure. This risk did materialize due to the internal lengthy tender procedures of the University, causing serious delays in the project's implementation and despite the efforts of both the Project team and the NFP towards the University's Tender Board to speed up the tenders procedures. However the PP proceeded with the measures described under "Project Progress" above so as that to minimize the risk of not completing the project by April 2011.

In addition to the above, under activity 2 the risk for the contractor not to deliver the equipment to the appropriate standards was minimized by the Project team during the tender process by preparing and including in the tender documents technical specifications of strict quality standards, relevant selection standards and also by demanding by the contractors to submit a Bank Guarantee for Project execution. (Performance Guarantee).

## **B3. NGO Fund**

The objective of the Project CY0017 – "Management of the Fund for Non Governmental Organisations (NGO Fund), co-financed by the European Economic Area (EEA) Financial Mechanism and the Norwegian Financial Mechanism", is to support the participation of civil society organisations in the reduction of economic and social disparities in the Republic of Cyprus by providing financing to NGO projects in two selected priority areas, i.e. Health and Childcare and Empowerment of Young People in Civil Society. Furthermore, according to the NGO Fund Set Up, a minimum of 20% of the funding will be made available for bi-communal projects that would benefit both communities within the priority areas.

The total assistance allocated to the NGO Fund project is €1.667.000. The EEA Financial Mechanism and the Norwegian Financial Mechanism contribution, amounts to €1.500.000, representing 90% of the Fund and the remaining €167.000 (10%), corresponds to the required co-financing of the Fund, which is covered from the national budget. The management fees (€146.250) of the NGO Fund Intermediary, i.e. "First Elements Euroconsultants Ltd-Euroconsultants S.A", are paid from the total Fund allocation.

### ***Project Progress***

In total, 33 subprojects are being financed under the NGO Fund (a list of all subprojects is attached as [Annex 2](#)). During the reporting period, the implementation of the sub-projects intensified and by the report's cut-off date 10 sub-projects had been completed. The remaining sub-projects are due for completion in October 2010. In general, no major horizontal problems were encountered during the Fund's implementation with the exception of the quality of Quarterly/Interim Reports submitted by the end recipients, which on many occasions had to be revised before being approved. No specific problems were encountered in the sub-projects' implementation apart from slight modifications in the timing of their activities or minor delays which however do not affect the achievement of their targets/objectives. By the report's cut off date, the following activities took place:

- the Intermediary has been monitoring the progress of all NGO Fund projects through the Quarterly and Interim Reports which are prepared by the end-recipients. Furthermore, the Intermediary is in touch with all the end-recipients through telephone and email contacts and performs on the site visits for the best monitoring of the projects.
- Up to the end of July 2010, the Intermediary paid the end-recipients the total amount of €998.634, as pre-financing payment (1<sup>st</sup> payment – all 33 end-recipients received a pre-financing amount equal to €608.201 and 2<sup>nd</sup> payment – 21 end-recipients whose Interim Reports were approved by the Intermediary received €390.433).
- The Intermediary has also classified all NGO Fund projects in four categories by degree of risk. Through this risk categorization, the possible problematic projects are identified and wherever needed corrective measures are suggested. Out of the 33 sub-projects, 17 were classified as Very Low Risk, 10 as Low Risk, 6 as Medium Risk and no project was classified as High Risk.
- The Intermediary continually updates its website with sub-projects' information and activities.

The Planning Bureau, as National Focal Point, monitors the Intermediary through the Monitoring Reports, which are prepared by the Intermediary every two months, as well as through tables for the monitoring of the Fund's accounts. These reports are discussed during the bi-monthly meetings held between the Planning Bureau and the Intermediary.

In order to receive the re-granting funds, one Project Interim Report (PIR no.2) was sent to and approved by the FMO in the period under review, and another one (PIR no.3) is planned to be sent in September 2010. The amount of €651.953 was received by the FMO for the second pre-financing payment.

### ***Bi-communal Projects***

The bi-communal projects are in majority achieving great success in reaching both communities. One example is the activities of EDON (under project NGOFUND/CY/012), where hundreds of youth from both communities attend and share thoughts, experiences and beliefs. Furthermore, the projects involving the collection of information from both communities reached out to both target groups. It is noted that very few projects, where the joint venture of institutions from both communities was the initial plan, have faced problems involving institutions from both communities due to political reasons. One example of this is the International Thalassaemia Federation project (NGOFUND/CY/110) where

the Janaemia software would be installed in hospitals from both communities and run and operated from both partners in the project. However, due to political reasons the Turkish Cypriot partner could not install the software therefore they gained rights of access to the software which still enables the use of the software and the entry of TC patients' data on the system. In general, the bi-communal projects involve a large number of target groups from both communities and where this seems difficult, a solution is found in order to maintain the bi-communal character of the project.

### ***Bilateral Projects***

Ten out of the 33 selected projects (30,3%) are bilateral projects with partners from Norway and Iceland. These projects are progressing well, with excellent cooperation among the partners. One example is the PEGASUS project (NGOFUND/CY/050) of the Avgorou Community Volunteerism Council which involves an educational trip to Norway of a team of Community youth. Most of the bilateral projects involve the transfer of knowhow and experience from the EEA partners to the applicants and the exchange of experiences among them.

### ***Risk Assessment***

As regards the "Risks" identified at the start of the sub-projects' implementation for the deviation of their activities from the original time plan due to delays and for potential risks pertaining the activities and the completion of the sub-projects, the Intermediary developed an action plan that monitored and followed up activities throughout the sub-projects' implementation period, by categorising sub-projects with degree of risk. Through this plan, the Intermediary conducted visits/meetings and daily telephone calls with end-beneficiaries and in the cases that assistance was needed, suggested corrective action proposals for the situations that were problematic for the implementation and the successful completion of the sub-projects. By taking these measures, the Intermediary managed to mitigate the above risks and finally almost all sub-projects have progressed according to their time plan.

Furthermore, the risk identified regarding delays due to improper or incomplete reporting by the end-beneficiaries, did indeed materialize. Despite the fact that the Intermediary had organised a Project Management Workshop to explain to all end-beneficiaries the reporting procedures and has been in constant communication with all concerned for the prompt submission of good quality quarterly and interim Reports, yet the quality of most of the reports was not of the expected level. To this effect, the Intermediary is providing feedback and further comments to submitted Reports which require revising, so that these reports could be approved.

### ***Indicators***

Since almost all Project indicators as described in the Project Implementation Plan (PIP) were met and in some cases surpassed from the previous reporting period covered under the 2009 Annual Report, this reporting period has only one targeted value to meet, that is the number of end-users directly or indirectly benefiting from projects implemented under the NGO Fund. Up to now and on the basis of the information submitted by the NGOs in their quarterly and interim Reports, it is estimated that the target number of end-users directly or indirectly benefiting from the projects implemented has been exceeded.

### ***Bi-monthly Meetings***

During the reporting period, five bi-monthly Monitoring meetings (on 18.11.09, 27.1.10, 29.3.10, 3.6.10 and 26.8.10) were held between the representatives of the Intermediary and the NFP, in accordance with the Implementation Contract. At the end of each bi-monthly meeting, the NFP prepared a table of recommendations for the necessary actions to be taken by the Intermediary for the implementation of the project before the next bi-monthly meeting which was sent to the Intermediary together with the meeting's minutes. This table is reviewed at the following bi-monthly meeting and updated accordingly.

### ***Extension of Project's Duration***

An addendum to the contract "Provision of Services for the Management of the Non-Governmental Organisations (NGO Fund) co-financed by the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism signed between the NFP and the company "First Elements Euroconsultants Ltd" was approved in May 2010, extending the contract's duration from 22 to 31 months, that is up to the 28<sup>th</sup> of February 2011.

The extension was necessary in view of longer than expected time for preparation and submission of the Block Grant Application and for the approval of this Application by the Donors as well as for the establishment of the selection committee. These resulted in delay in commencing the activities of the sub-projects. Since most of the sub-projects have 12-month duration with completion date by October 2010, the submission and approval of the Final Reports and final payments to end-recipients will take place by January 2011. It is estimated therefore that by February 2011, the Intermediary will be able to prepare and submit the Project Completion Report and the NFP will carry out the final payment. The above extension will be reflected in a revised PIP and to this effect all relevant procedures will be followed in due course.

### ***Evaluation Report***

Within the framework of Evaluation by the FMO of all the NGO Fund projects financed under the EEA and Norwegian Financial Mechanisms (FMs), an expert from the independent company PITIJA of Slovakia, visited Cyprus in March 2010 (3-17.3.2010). The overall objective of this evaluation was to provide an expert independent evaluation of the contribution of the EEA and Norway Grants 2004-2009 to the NGO sector in Cyprus. The expert met with representatives from a number of NGOs whose projects are financed under the Fund, the NGO Fund Intermediary, the Royal Norwegian Embassy in Athens and the National Focal Point. During the meetings with all stakeholders, the expert discussed all issues concerned and received all relevant documents for preparing her Report.

The draft Evaluation Report was submitted by the FMO to the National Focal Point on the 1<sup>st</sup> of June 2010, requesting comments on the Report. The comments of the NFP and the Intermediary were sent to the FMO within the two week deadline, but the Final Evaluation Report has not been received by the Annual Report's cut off date.

It is noted that in the draft Evaluation Report the recommendations were general and mainly for all beneficiary States operating NGO Funds. However, some references on Cyprus were not correct and the NFP and the Intermediary submitted their comments for correcting these inaccuracies. The main comments concerned the political issue in Cyprus, the situation of the civil society in Cyprus, the support to the end beneficiaries from the Intermediary and the bilateral partners. Despite the fact that the final report has not been received yet, the FMO has informed the NFP that these comments will be adopted and will be reflected in the final version to be distributed in a workshop in Brussels on 8 September 2010.

### ***External Monitoring Mission***

In May 2010 (18-21.5.2010), an External Monitoring Mission for the NGO Fund project, took place by the company "Baltic Project Consulting". The interviews of the parties concerned (representatives from the NFP, the Intermediary and four NGO Fund end-recipients), were held by the expert Ms Lolita Cigane. The Report was prepared by Ms Cigane and was sent to the NFP for comments by the FMO on 9 June 2010. The comments of the NFP and the NGO Fund Intermediary were sent on 2 July 2010 to the FMO. The Final Monitoring Report was forwarded to the NFP on 31st August 2010.

It is noted that the Monitoring Visit concluded, inter alia, that (i) the objectives of the NGO Fund are being fulfilled and that the Fund is managed efficiently, (ii) the project progresses well in accordance to a revised and realistic time-plan, (iii) there is good cooperation between the Intermediary and the National Focal Point.

The recommendations of the expert were (i) before the completion of the NGO Fund project, the Focal Point and the FMO should seek a detailed assessment and recommendations from the NGO Fund Intermediary, who has gained experience on how to manage the NGOs in realising their projects, for future management of the Fund, (ii) in case of continuation of the NGO Fund in the next programming period, the thematic areas eligible for funding to be expanded to include a broader scope of NGOs and (iii) the Intermediary to improve clarity in the reporting requirements to end-recipients.

The NFP and the Intermediary accepted these recommendations.

#### **B4. Information and Publicity Activities**

##### **General Publicity of the FM**

The NFP continues to update regularly its special webpage providing information to the public regarding the implementation of the FM. Within this framework, the minutes of the sixth and seventh Monitoring Committee Meeting held in September 2009 and April 2010 respectively, as well as those of the fourth Annual Meeting of December 2009 were placed on the NFP special webpage.

##### **Publicity carried out by the Individual Projects**

Regarding the publicity activities for the individual projects, these were carried out in accordance with the publicity plan described in the project application taking into account the project progress during the reporting period. Publicity activities have been intensified during the reporting period, in particular for the projects for which the tendering procedures were pending and are now in the implementation stage. These projects are the Digitisation Project (CY0013), the Zero CO2 Emissions Project (CY0015) and the NGO House (CY0011):

For the project CY0013, a press release was issued following the signature of the contract for the «Supply, Installation, Implementation, Training , Operational Support and Maintenance of a hardware and software system for the requirements of the Cyprus Archaeological Digitization Programme» whereas the PP participated in an international conference in Italy on the 20 November 2009 during which the project was presented and promoted. In addition the PP participated in a conference held at the University of Cyprus between 26-28 April 2010 . The website of the PP is updated with latest events and Information on the project and informs interested parties on the progress of the project. It is also noted that the logo of the Mechanism has been placed on the equipment purchased under the project.

As regards the project CY0015, a billboard is to be erected as soon as the PP sets up the prototype. The same applies for the info and inauguration day .In the meantime, the PP contributed with [Articles in magazines and international conferences](#):

1. *Conference on the promotion of Distributed Renewable Energy Sources in the Mediterranean region (DISTRES)*, Nicosia, Cyprus (I. Ciornei and E. Kyriakides, “Dispatch challenges in isolated power systems with large wind penetration: the Cyprus power system case”, paper # 154, pp. 1-7, Dec. 2009.) ([see Annex 3](#)).
2. *Renewable Energy Sources and Energy Efficiency Conference (RESEE)*, Nicosia, Cyprus, pp. 1-11, Oct. 2009 (P. Prodromou and E. Kyriakides, “Design, implementation, and performance monitoring of a hydrogen fuel cell prototype,”) ([see Annex 3](#)).

In addition a 4-page brochure describing the project (with pictures) has been issued by the PP and distributed to the engineers of the Electricity Authority of Cyprus, the Cyprus Energy Regulatory Authority and the Transmission System Operator for information purposes. A copy of the brochure is attached as [Annex 4](#).

Further, the PP is planning for additional publicity measures which include interviews on TV channels (Sigma) and an article in the Politis newspaper. In addition the PP will proceed with the design of the website where the results of the project will be presented online.

Regarding the Project CY0011 “Revitalising the buffer zone: An Educational Centre and Home for Cooperation” a series of publicity measures have been implemented that have contributed significantly to the visibility of the project both in Cyprus and abroad, as follows:

- (a) Enrichment of the PPs webpage with information on the project ([http://www.cyprus-tube.com/historicaldialogue/index.php?option=com\\_content&view=article&id=77&Itemid=94](http://www.cyprus-tube.com/historicaldialogue/index.php?option=com_content&view=article&id=77&Itemid=94)), in anti-cipation of the new webpage that will be launched in November 2010.
- (b) Production of 2 video blogs on the Home for Cooperation available at the dedicated webpage (<http://www.cyprus-tube.com/historical-dialogue/>).
- (c) Presentations by the PP of the Home for Cooperation in the framework of the following events:
  - Council of Europe workshops on “Multiple views – Multicultural Nicosia: The use of interactive methods in teaching history ”(Venues: Ledra Palace, Fulbright Centre, Goethe Institute) on 6-7 November 2009 in Nicosia.
  - Council of Europe Symposium on "The image of the Other" on 26-27 November 2009 in Athens.
  - “The elders hold meetings with Cypriots in the buffer zone” on 8-10 December 2009.
  - Two-day Council of Europe educational seminars and workshops on “Developing intercultural communication skills when learning history in a multicultural context: pupils’ assessment in focus” on 16-17 March 2010 in Nicosia.
  - Conference “A Bridge too Far? Teaching Common European History themes, perspectives and level” on 22-28 March 2010 in Nijmegen, The Netherlands.
  - International History Education Symposium “What does it mean to think historically?” on 7-8 May 2010 in Nicosia.
- (d) The “Music – Poetry – Film Jam” publicity event took place in front of the Home for Cooperation on 19 and 20 December 2009.
- (e) A billboard was erected at the site of the project.

For the project already completed i.e. CY0014 “Restoration of Salamiou village old school building, for use as a regional centre for environmental education”, all activities envisaged under Phase 2 of the Publicity described in the application form are being promoted as follows:

- Publication of brochures for distributions to schools, environmental action groups etc.
- Setting up of a website, to be ready by the end of September 2010.
- Production of a DVD for the Salamiou village and the centre itself
- Media publications
- Erection of the commemorative plaque
- Organization of an inauguration ceremony and reception on 17 October 2010

### **Publicity for the NGO Fund**

The NGO Fund Intermediary keeps updating the established website in the English language dedicated to the Fund which contains all relevant information (on launching of the Fund, application materials and documents, workshops, press releases, photos etc) .The Website was launched on 9 December 2008 and the relevant address is <http://www.eeangofund.org.cy> .The Intermediary has also submitted a publicity plan to the NFP, which serves as the basic tool for the publicity of the NGO Fund in Cyprus.

As part of its publicity activities, the NGO Fund Intermediary has enriched the NGO Fund website with specific information on each sub project including a description of the end recipient, the project and the contacts of the coordinator. The website is also kept updated with news of the subprojects in the form of press releases and photos from the implementation of various activities. Further, the Intermediary has ensured that the dissemination activities of sub projects follow the EEA Grants and the NGO Fund

Publicity Guidelines and has assisted a number of events organised by end recipients in their projects. A number of press articles were published (see Annex 5) to cover for various events that took place under the various sub-projects such as :

- Project no: NGOFUND/CY/034  
Project title: Creation of a Snoezelen Room  
'Filleleftheros', 21/2/2010
- Project no: NGOFUND/CY/012  
Project title: Let's Become the Generation of Reunification  
'Filleleftheros', 16/1/2010
- Project no: NGOFUND/CY/080  
Project title: Pregnancy in Congenital Heart Disease  
'Filleleftheros', 21/11/2009
- Project no: NGOFUND/CY/022  
Project title: Upgrading of the Services Provided and Methods used at "Kivotos" Foundation for Children with Special Needs  
'Filleleftheros', 18/11/2009
- Project no: NGOFUND/CY/020  
Project title: Empowerment of the ADHD Community  
'The Cyprus Weekly', 11-17/1/2009
- Project no: NGOFUND/CY/087  
Project title: Ouranio Toxo  
'Politis', 5/1/2010

The Intermediary is also in the process of organising the Fund final event which is planned to be held at the Presidential Palace in October 2010. During this event, which will be open to the public, end recipient NGOs will exhibit their work promoting at the same time the aims and the objectives of the Fund.

#### **B5. Assessment of the distribution of the Grants among the priority sectors**

The Individual Projects being promoted within the framework of the Norwegian FM cover the priority sectors of Conservation of European Cultural Heritage and Protection of the Environment including reduction of pollution and promotion of renewable energy. Furthermore, the NGO Fund covers primarily the priority sectors Health and Childcare and the Empowerment of young people in the Civil Society. Despite the small number of projects, the Grants are distributed to a wide spectrum of the priority sectors and in this way, the impact of the projects will reach a far larger number of target groups ranging from educators to pupils, from local communities to academics and from researchers to children and youth.

The overall benefits for the priority sectors in question are expected to be considerable and will become more tangible as projects are completed. As regards the Conservation of European Cultural Heritage, the main results of the three projects in this priority sector (i.e. Archaeological Digitisation, Salamiou and NGO House) will be the improvement of the tools for the management of cultural heritage and the restoration of cultural heritage buildings with establishment of their functionality for purposes contributing to the sustainable development of the surrounding areas. These results will contribute to a more integrated heritage-based policy for environmental and resource planning and management for

sustainable development. The Salamiou project in particular which has been completed, will receive the first students as a Centre for Environmental Education in the newly restored building, in the coming academic year 2010/1011. The centre will be part of the infrastructure for the core activity of the "Strategic Plan on Environmental Education with focus on sustainable development" promoted by the Ministry of Education and targeted on the qualitative upgrading of the educational system through inter alia the improvement of the efficiency and quality of education on issues relating to the environment. Furthermore, the results of the projects will enhance the role of cultural heritage in contributing to social cohesion, upgrading the quality of life of people and improving the development of declining areas such as rural areas and the buffer zone. The target groups of these projects therefore are mainly the public at large and in more specific terms, the inhabitants of the areas where the projects are being implemented, i.e. the rural area of Salamiou village and the deprived area around the buffer zone. The impact of the project of the NGO House will additionally benefit the target groups of Educators, researchers and pupils as it will provide the premises for an intercultural Educational Centre and will thus contribute to promoting communication and cultural relations between people from different ethnic, religious or linguistic backgrounds with no discrimination.

Concerning the priority sector for the Protection of the Environment, the main result of the project in this sector (Zero CO<sub>2</sub> Emissions) will be the establishment of pilot-infrastructure for the promotion of renewable energy sources, the use of which is of crucial importance for the protection of the environment. Provided the operation of the prototype to be developed within the project is successful, the impact on the target group of the wider public both in Cyprus and abroad will be high since it will provide the opportunity to replace partly or fully, fossil fuel power generation when implemented in a larger scale. This will help in reducing significantly the CO<sub>2</sub> and other gases emitted from power stations, reducing at the same time the atmospheric pollution and the heating effect of the environment.

As regards the NGO Fund, the main result of its operation relates to the support and promotion of NGO activities in the sectors of Health and Childcare and Youth. The approach of targeting only two specific thematic areas from different perspectives is likely to generate a measurable impact. The priority sector that mainly benefits from the NGO Fund is the sector of Health and Childcare through the promotion of initiatives of volunteer organisations, who act as service providers in this area, thus strengthening their role in social cohesion and inclusion (17 proposals out of the 33 approved proposals concern this area and another 10 approved proposals concern both priority areas). It is noted in this respect that the Fund has provided the opportunity to NGOs to realize projects that they have previously been unable to undertake due to the lack of sufficient funds. Furthermore, the Fund has made available 48,5% of the funding for bi-communal projects that will benefit both communities within the priority sectors, with a view to encourage bi-communal contacts a target that has been reached in the majority of these projects. It is expected that the impact of the NGO Fund on the target group of the NGOs in Cyprus will be substantial both in view of its size (1.6 mln Euro can assist a significant number of NGOs) as well as of its nature, since the demanding set up of the Fund itself, contributes to the enhancement of their capacity to implement projects for the benefit of their members and of the civil society in general. In addition the impact is enhanced due to the diversity of the projects, with a combination of both infrastructure and 'soft' projects in various districts and areas of Cyprus and with a range of varied activities.

#### **B6. Assessment of the impact of projects on Cross-cutting issues:**

Taking into account that during the current reporting period one project has been successfully completed and all other projects including the NGO Fund are well under implementation, their impact on the cross cutting issues is assessed as positive. More specifically the following are noted:



## **Sustainable Development**

### **Environmental**

Under the project CY0014, the restoration of the old school in Salamiou was completed contributing favourably in an area rich on biodiversity and with a well balanced ecosystem. Through the use of the building as a Regional Centre for Environment Education people's awareness and interest on the value on the natural assets prevailing in the area will be further enhanced. Mainly for local people the restoration of their school and its establishment as a regional Environmental Centre is of major importance and value towards their efforts to promote environmental agro tourism in their village and the adjacent area.

Regarding the environmental impact of the construction works, these were executed in an environmental friendly manner through the safe disposal of all waste materials which were managed by appointed recycling operators and relevant declarations were submitted to the FMO with each PIR. In addition the project included among its activities the installation of a solar heating system, thus promoting the use of environment friendly energy sources

The same applies also for the project CY0011 under which the contractor removed the asbestos sheets according to the instructions of the competent government department which were then treated and disposed of in an environmentally sound manner.

As far as the project CY0015 is concerned even though the power station is not yet operational, the project is believed to contribute to environmental sustainability in a significant way. The project aims to establish a small scale power station (a prototype) that can be developed to full scale power station. A renewable power station of this form will replace partly conventional power stations using fossil fuels as their primary fuel. This will help in reducing significantly the CO<sub>2</sub> and other gases emitted from power stations, reducing at the same time the atmospheric pollution and the heating effect of the environment.

### **Economic**

Even though the nature of the projects, does not entail a significant impact on the economic dimension of the sustainable development however they could contribute to economic prosperity through their sustainability and successful operation.

For example regarding the project CY0015 the results of this research project will demonstrate whether wind energy is viable for Cyprus and will motivate interested parties to invest in the specific area. Overall the project allows economic growth at reduced environmental impact which is part of the definition of the sustainable development. The benefits of the project will be also seen by the public through reduced electricity costs, opening of new professional and unskilled positions etc.

As a more general comment, it is noted that as far as the financial drivers of the projects are concerned, these are sustainable since the economic viability of most of the projects is ensured through central and local government budgets.

### **Social**

The various projects will contribute to the promotion of the social aspect of sustainable development to a great extent. All projects will increase public understanding of sustainability and will influence positively the citizens' sustainability behaviour. They will also contribute to a more integrated policy/planning/management for sustainable development.

Regarding project CY0011, through the establishment of the Home of Cooperation, new opportunities will be provided for the NGOs and individuals to design and implement innovative projects which will help build the foundations for empowering civil society and building lasting relationships islandwide. Cypriots will be encouraged to demonstrate the benefits of cooperation across the existing divide and awareness about the need for social sustainability for all Cypriots irrespective of religion, ethnic group or language barriers will be enhanced.

For project CY0013, the aimed online accessibility of digitized cultural material in the framework of the project will enable citizens in Cyprus and throughout Europe to access and use it for leisure, study or research thus contributing to the European Cultural and Social Policy.

For project CY0014, a positive social impact is already evident on the local population who realize that the rich biodiversity of the area is rightly used for the benefit of the community and of the students that will be visiting the region.

As regards project CY0015, through the publication and dissemination of the project results it will raise public awareness on alternative energy sources and to the impact these could have to the quality of their life.

Concerning the Project CY0017 (NGO Fund), its very nature and the fact that one of its two priority areas concerns Health and Childcare, ensure its positive impact on social sustainable development. All projects implemented under the Fund are aiming to improve and extend their services to society, improve the living conditions of the under privileged social groups whereas a large proportion of the selected subprojects concerns health issues and their implementation will therefore create positive effects for public health.

### **Gender Equality**

Even though the nature and character of the individual projects and of the NGO Fund, do not allow for a substantial impact on the gender equality issue, nevertheless since the legal framework in force transposes fully the *acquis communautaire* in the area of equal opportunities and rights, the respect of the relevant laws ensures that the PPs represented are equal opportunity employers and fully respect the gender equality principles and their importance. A general characteristic of all projects is that the project teams include both men and women and in this sense the principle of equal participation and representation of women in the decision making is promoted. In addition some of the projects that involve the participation of civil society organisations will have a greater impact on gender equality since current experience shows that the NGOs' involvement in policy formulation and implementation of gender equality has increased substantially and their contribution has been vitally important in ensuring that the needs of all women are taken into account. As NGOs tend to have a high woman participation profile, these projects provide the opportunity to women to participate in all phases of project implementation. Such projects are the Digitisation Project (CY0013), the NGO Fund (CY0017) and the Home for Cooperation (CY0011) in which women are in positions of responsibility at the project management level. As regards the latter project, the education to be offered at the Educational Centre will have as a cross cutting issue gender equality and empowerment of women. Not only the teaching staff will be gender balanced, but the content of the curriculum will emphasise issues of gender equality and human rights.

### **Good Governance**

The principles of Good Governance apply for the implementation and management of all approved projects which are characterised by transparency and openness. The projects' economics and budget are transparent to the National Audit Authorities and to those of the FM as well as to the independent auditors (Deloitte and Touche) commissioned by the NFP in order to verify payment claims and submit relevant Reports to the Paying Authority.

As regards adherence to national and European Commission Procurement Rules, all PPs are obliged according to the Implementation Contract signed between them and the NFP, to follow the Public Procurement Law of 2006 (L.12(1)2006) which is fully harmonised with the EU Directives, for procurement of goods, services and construction works funded under their respective projects. In this respect good governance is further strengthened through the issue of certificates of compliance by the Competent Authority for Procurement issues (Public Procurement Directorate of the Treasury) at the

various stages of the contracting procedure. All contracts signed within the reporting period, have secured such certificates.

The NFP continued to take measures for the prevention of corruption by:

- (a) Involving the civil society organisations (Social Partners and NGOs) in the national monitoring process. Seven members out of the 14 members of the monitoring committee that has been set up by the NFP, come from these sectors. The responsibilities of the MC include among others the reviewing and assessing of the overall progress of projects, the recommendation of corrective actions, wherever necessary and the approval of the Annual Report(s) to be submitted by the NFP. Within this framework, two monitoring Committee Meetings were held during 2010 in order to examine the progress of projects (March and September).
- (b) requesting the PPs and the NGO Fund Intermediary, to report on irregularities during the implementation of the FM. During the reporting period four irregularities reports were submitted by the NFP to the FMO covering the last quarter of 2009 and the first three quarters of 2010. No irregularities have been recorded during the reporting period.

As regards the impact of each individual project and of the NGO Fund on the cross cutting issue of Good Governance, it is noted that as described above, a general characteristic is that they all respect the legislative and political requirements for transparent procedures especially in the area of public procurement. Another general characteristic is their contribution to better public access to information. In addition for a number of projects, their impact will be greater as they improve the participation of civil society into the decision making process. Such projects are a) the restoration of the Salamiou Old School (CY0014) with the active participation of the Local Action Group at all phases of the project and b) the Home for Cooperation (CY0011) with the involvement of NGOs as beneficiaries of the project. As regards the NGO Fund (CY0017) the impact will be substantial on the NGOs themselves in that it will contribute to the improvement of their accountability and capacity for efficient project implementation.

## **B7. Assessment of the effects of projects on Bilateral Relations**

The results of the projects will contribute towards the enhancement of bilateral relations between the EEA EFTA countries and Cyprus. Sharing of experiences between Cyprus and Norwegian Institutions will have a positive effect in strengthening the bilateral relations through:

- The exchange of expertise and transfer of knowledge which will promote the enrichment of ideas and consultation with experts and NGOs from the EEA/ EFTA countries.
- The interchangeability of information can encourage further research which can be based on bilateral schemes.
- The participation of experts and consultant Officers from the EEA/EFTA countries, in facilitating the implementation of the projects.

Even though none of the individual projects have entered into partnerships with other entities from the donor states, the PPs highly recognise the assistance received and promote this assistance through various publicity measures. On the contrary more tangible effects from the projects on the bilateral relations between the EEA EFTA states and Cyprus are seen from the subprojects under the NGO Fund, since 10 out of the 33 approved projects are bilateral projects that are implemented with partners from Norway and Iceland. The total budget for these projects is €444,588 or 29% of all approved projects. They cover both NGO Fund priority areas, namely Health and Childcare and Empowerment of young people in the Civil Society and most of them involve the transfer of know how and experience from the EEA partners to the applicants and the exchange of experiences among them.

## **B8. Commitments and Disbursements**

In accordance with Article 5 of the Agreement between the Kingdom of Norway and the EC on the Norwegian Financial Mechanism 2004-2009, an amount of €3,402,000 shall be made available to Cyprus. The total available funds after allowing for Financial Mechanism's management costs for appraisal monitoring and ex-post evaluation amount to €3,167,605. During the reporting period all the available amount has been committed to the four (4) individual projects and the NGO Fund.

By the cut off date the amount disbursed by the FMO under the Norwegian Financial Mechanism equals to €1,746,997 (55%). Although this disbursement level is not considered satisfactory it is anticipated that by the end of the eligibility period all project activities will be completed and the respective amounts will be claimed within 2011. Annex 6 shows in detail the financial status of the Financial Mechanism Funds.

The PA has not reported any problems related to the disbursements. Fourteen PIRs were in total submitted to the FMO for reimbursement for the Projects CY0011, CY0013, CY0014 and CY0015 and for the NGO Fund. All PIRs were approved and all amounts claimed, were reimbursed by the FMO. It is noted that, once the expenditure claimed in the PIR has been verified by the Independent Auditors this is pre-financed by national funds. The amount received from the FMO in respect of each PIR is deposited in the Government General Account.

## **B9. Work Plan 2010-2011**

The most important stages until the end of April 2011 with regard to the implementation of the FM are expected to be as follows:

### **Individual Projects**

- Completion of implementation of project activities for the following projects:
  - Zero CO<sub>2</sub> emissions electricity generation prototype (zero CO<sub>2</sub>):
    - (i) Prototype connected and set up: October 2010
    - (ii) Offline Testing: November 2010
    - (iii) On line operation/connection of Prototype to the CEA network/testing : April 2011
  - Cyprus Archaeological Digitisation Programme-CADiP
    - (i) acceptance of the GIS system and the final payment to the contractor: November 2010
    - (ii) Completion of the digitization of 5000 movable antiquities and all ancient monuments: April 2011
  - Revitalizing the buffer zone-An Educational Centre and Home for Cooperation  
Completion of construction works for the Buffer Zone project: February 2011
- Various information activities according to the projects' publicity plans including inauguration days.

### **NGO Fund**

- Completion of sub-projects implementation: October 2010
- Publicity activities to be held by the NGO Fund Intermediary: By February 2011.

**Monitoring Committee Meetings**

Two monitoring Committee Meetings will be held during 2011 in order to examine the progress and assess the completion of the implementation of all projects (March and September 2011). The latter meeting will also review and approve the last Annual Report on the implementation of the FM for the period 2004-2009.

**Bimonthly Meetings**

The NFP will continue to hold every two to three months (based on the progress of each project) meetings with each of the project promoters and the NGO Fund Intermediary in order to discuss implementation progress and possible problems that might arise until project completion. During the meetings, the technical and financial progress towards the achievement of the objectives set out in the Grant Offer Letter and the PIP will be reviewed.

**Submission of PIRs**

The PPs will submit PIRs to the NFP and after their verification by the Independent Auditors, these will be forwarded to the PA. The PA will proceed with payment claims to the FMO for reimbursement. In addition, the NFP will continue to process monthly payment claims in respect of the Project CY0011 and pre-finance incurred eligible expenses pending PIR submission and reimbursement by the FMO. All individual projects as well as the NGO Fund have as final eligibility date the 30<sup>th</sup> April 2011. As a result the final PIRs for all projects/Fund will be submitted to the FMO by 31 October 2011.

**Submission of PCRs**

The PPs upon the completion of their projects and submission of the last PIRs will prepare the Project Completion Report for each respective project/Fund which will provide the basis for evaluating the performance of the project and serve as the basis for the disbursement of the Grant retention amount as defined in the Grant Agreement. The submission of the PCRs is expected to take place between the end of 2011 and the beginning of 2012.

**Submission of Annual Report**

The Annual Report will be prepared by the NFP and submitted to the FMO one month prior to the Annual Meeting.

**Annual Meeting**

The Annual Meeting will be held in Nicosia in the last quarter of 2011 to draw final conclusions on the level of success of the implementation of the FM.

**Audit Plan**

The Internal Audit Service will carry out various audits for 2011, as per the audit plan in [Annex 7](#).

**On the Spot checks**

The PA, in the context of its audit program will undertake on the spot checks on projects co-financed by the Financial Mechanisms during the last quarter of 2010. The sample will include completed projects funded by the NGO Fund and the selection of the projects will be based on risk assessment analysis. In the case that is deemed necessary on the spot checks may also be carried out on individual projects. The objective is to ascertain that actions carried out are lawful, correct, the work for which the claim is submitted has actually been carried out and paid for and that there is compliance with the provisions of the relevant Regulations and Guidelines.

## B10. Review of Annexes B and C of the MoUs

Articles 7 and 8 of the Memorandum of Understanding on the implementation of the Norwegian Financial Mechanism 2004-2009 stipulate that Annexes B and C shall be subject to review at the annual meetings. During the reporting period, no issues have arisen with regard to any modifications that need to be effected on the two Annexes.

## C. ISSUES AND RECOMMENDATIONS

Despite the delays faced by some of the projects regarding their tendering and contracting procedures, during the reporting period there has been a substantial progress in the implementation of the FM since one of the projects has been successfully completed and all other projects are at an advanced state of implementation.

### C1. Outstanding Issues

As regards the individual projects, the following outstanding issues are noted:

- (a) CY0011 – Revitalising the buffer zone - An educational centre and Home for Cooperation
- Need for securing additional funds in order to strengthen the project's sustainability.

As regards the remaining individual projects and the NGO Fund, there are no outstanding issues.

### C2. Recommendations for the future reporting period

	<b>Recommendation</b>	<b>Action</b>	<b>Timing</b>
<b>Individual Projects</b>	Close monitoring of the implementation of the following individual projects with tight time plan so that any problems are resolved immediately and delays are kept to a minimum: - <b>CY0011</b> : Revitalising the buffer zone – An educational centre and Home for Cooperation. - <b>CY0015</b> : A zero CO2 emissions electricity generation prototype (zero CO2).	Project Promoter Project Promoter	Continuous Continuous
	Close monitoring of the following project for early problem identification and immediate corrective actions for successful completion: - <b>CY0013</b> : Cyprus Archaeological Digitisation Programme-CADiP	Project Promoter	Continuous
	Continuation and strengthening of efforts exerted by the PP of the following project for securing additional funds through donations etc in order to strengthen project sustainability: - <b>CY0011</b> – Revitalising the buffer zone – An educational centre and Home for Cooperation.	Project Promoter	Continuous
<b>NGO Fund</b>	Close monitoring for successful implementation of sub projects	Intermediary	Continuous
<b>General</b>	Close monitoring of individual projects and of the NGO Fund for early problem identification and immediate corrective actions so that they are timely and successfully completed.	NFP	Continuous

## **D. ANNEXES**

**ANNEX 1**

**EEA – Norwegian Financial Mechanisms Grants 2004 – 2009**  
**Contracts signed**

<b>No.</b>	<b>Project Title</b>	<b>Contract Title</b>	<b>Duration (months)</b>	<b>Amount in €</b>
1.	<b>Revitalising the buffer zone: An Educational Center and Home for Cooperation - CY0011</b>	<b><u>Contract 1</u></b> “Acquisition of the Building”		454.490
		<b><u>Contract 2</u></b> “Project Management of Renovation works of the Project”	27	19.536 (incl.VAT)
		<b><u>Contract 3</u></b> “Consultancy Services”	22	60.400 (incl. VAT)
		<b><u>Contract 4</u></b> “Accounting Services”		3.000 (incl.VAT)
		<b><u>Contract 5</u></b> “Legal Services”		3.992
		<b><u>Contract 6</u></b> “Reconstruction of Educational Center and Home for Cooperation”	12	676.440 (incl. VAT)
				<b>1,217,858</b>
2.	<b>Preparation of an Integrated Management Plan for the Pafos Forest, in Cyprus - CY0012</b>	<b><u>Contract 1</u></b> Service contract “Preparation of an integrated Plan for the Pafos Forest”	24	321.770 (incl. VAT)
		<b><u>Contract 2</u></b> Various Supply Contracts “Equipment”	-	82.460 (incl. VAT)
				<b>404.230</b>
3.	<b>Cyprus Archaeological Digitisation Programme – CADiP - CY0013</b>	<b>Recruitment of four Archaeologists</b>	19	151.967
		<b><u>Contract 1</u></b> “Supply, Installation, Implementation, Training, Operational Support and	24	230.000 (+VAT) (280.858)



No.	Project Title	Contract Title	Duration (months)	Amount in €
		<b>Maintenance of Hardware and Software System for the Requirements of Cyprus Archaeological Digitization System”</b>		
				<b>381.967</b>
4.	<b>Restoration of Salamiou Village old school building, for use as a regional centre for environmental education - CY0014</b>	<b><u>Contract 1</u> Works Contract “Restoration of the Building”</b>	14	691.128 (incl. VAT)
		<b><u>Contract 2</u> Project Management</b>	24	8.543
				<b>699.671</b>
5.	<b>A zero CO2 emissions electricity generation prototype (ZeroCO2) - CY0015</b>	<b><u>Contract 1</u> Equipment</b>		402.488 (incl. VAT)
		<b><u>Contract 2</u> Purchase of Windturbine</b>		205.850 (incl. VAT)
				<b>608.338</b>
	<b>NGO Fund - CY0017</b>	<b><u>Contract 1</u> “Management of the Fund for NGOs for the Republic of Cyprus”</b>	22	<b>146.250</b> (no VAT)
		<b>33 Sub-Projects</b>	12	1.520.511
				<b>1.666.761</b>

\* The table above does not included the amounts approved under the projects for Publicity purposes.

**ANNEX 2****LIST OF SUB-PROJECTS UNDER THE NGO FUND**

Nr.	Title	Applicant Organisation	Partners	Empowerment of Young People in the Civil Society	Health and Childcare	Bi-communality	Bi-lateral relations	Project Budget €	NGO Fund Grant €	Funding Rate %
2	Antidote Plus	Theatre Antidote LTD	LARNACA DISTRICT DEVELOPMENT AGENCY	Yes	Yes	Yes	No	59,781	52,667	88.10
3	Youth & Family Support Centre	LARNACA DISTRICT DEVELOPMENT AGENCY	-	Yes	Yes	Yes	No	59,047	51,666	87.50
9	Evaluation of the development of hearing-impaired children after cochlear implantation and training parents and educators by specialised tutors on supporting the development and inclusion of deaf children in the general educational system and the society	Pancyprian Association of Parents of Children with Hearing Loss	-	No	Yes	No	No	52,296	47,066	90.00
10	PROMITHEAS - Multi-purpose Youth Centre	Sports and cultural union Promitheas	UNITED DEMOCRATIC YOUTH ORGANISATION	Yes	No	Yes	No	83,780	52,027	62.10
12	Let's Become the Generation of Reunification	United Democratic Youth Organisation	-	Yes	No	Yes	No	119,000	59,024	49.60
14	Multicultural Policy in Child Caring and Adoption	Cyprus Institute of Church and State Relations	Cyprus Centre of European, International Affairs	No	Yes	Yes	No	49,786	44,658	89.70
16	Cervical Cancer Prevention	Mendel Center for Biomedical Sciences	-	No	Yes	Yes	No	54,443	48,998	90.00
20	Empowering the Attention Deficit Hyperactivity Disorder Community	ADHD Cyprus	ADHD samtökin	Yes	Yes	Yes	Yes	59,520	48,807	82.00

Nr.	Title	Applicant Organisation	Partners	Empowerment of Young People in the Civil Society	Health and Childcare	Bi-communality	Bi-lateral relations	Project Budget €	NGO Fund Grant €	Funding Rate %
22	Upgrading of the services provided and methods used at "Kivotos" foundation for children with special needs	"KIVOTOS"	PAPHOS MUNICIPALITY	No	Yes	No	No	64,526	55,014	85.26
29	Unit for Early Hearing Diagnosis	Center for Preventive Paediatrics	Hearing Health Professionals	No	Yes	Yes	Yes	67,460	60,512	89.70
30	"Research on the relation of the Greek and Turkish Cypriot community between 1920-1974"	Athletic and cultural association Kavazoglu and Misiaoulis	UNITED DEMOCRATIC YOUTH ORGANISATION	Yes	No	Yes	No	61,000	53,253	87.30
34	Creation of a Snoezelen Room	Theotokos Foundation	-	No	Yes	No	No	53,549	48,194	90.00
45	Civil Society Growth, Strengthening and Empowerment Project	NGO Support Centre	The Management Centre of the Mediterranean	Yes	Yes	Yes	No	56,723	47,761	84.20
46	Mediation and Negotiation Skills as Forces of Development the Health and Youth Sectors in cyprus	Cyprus Mediation Services	Uzlasim Dernegi, National Mediation Service	Yes	Yes	Yes	Yes	48,363	43,430	89.80
47	Pachna Childcare facility	Pachna Community Volunteerism Council	-	No	Yes	No	No	59,602	53,642	90.00
50	PEGASUS	COUNCIL OF COMMUNITY OF VOLUNTEERISM OF AVGOROU	Hoyenhall School	Yes	Yes	No	Yes	27,225	18,974	69.69
56	A Roof for Tradition and Culture	Greek Lyceum of Famagusta	-	Yes	Yes	No	No	65,400	58,860	90.00
57	THEATRE IN THE PROMOTION OF GENDER EQUALITY AWARENESS FOR YOUNG PEOPLE	MEDITERANNEAN INSTITUTE OF GENDER STUDIES	Rooftop Theatre Group, Cyprus Family Planning Association	Yes	Yes	No	No	23,425	20,731	88.50

Nr.	Title	Applicant Organisation	Partners	Empowerment of Young People in the Civil Society	Health and Childcare	Bi-communality	Bi-lateral relations	Project Budget €	NGO Fund Grant €	Funding Rate %
59	The SANNA Project: Empowering Children and Youth through Language Revival	Association "Hki Fi Sanna"	Peace Research Institute, Cyprus Centre, Várdobáiki Sami Centre	Yes	Yes	No	Yes	60,829	49,940	82.10
62	Software application development for the creation of an equal opportunity environment for the vulnerable social groups	Pan Cyprian Volunteerism Coordinative Council	Itanos Consulting Organization	No	Yes	No	No	60,186	51,158	85.00
65	Children of Cyprus and Human Rights	HFC: "Hope for Children" Office for Children's Rights	Commissioner for Children's Rights	Yes	Yes	Yes	No	40,611	33,017	81.30
79	Development and Improvement of the Services of the Red Cross Home for Children with Disabilities	Cyprus Red Cross Society	SOR Foundation	No	Yes	No	Yes	59,613	53,652	90.00
80	Pregnancy in Congenital Heart Disease	Association of Parents and Friends of Children with Heart Disease	Thallo Foundation for Specialized Pediatrics	Yes	Yes	No	No	46,560	39,576	85.00
85	EDUCATORS AND PARENTS AGAINST DOMESTIC VIOLENCE	ASSOCIATION FOR THE PREVENTION AND HANDLING OF VIOLENCE IN THE FAMILY	Cyprus Family Planning Association, Pancyprian Federation of Parents Association of Primary Education	Yes	Yes	No	No	46,000	41,400	90.00
87	Ouranio Toxo	Nicosia Municipality Multifunctional Foundation (NMMF)	-	No	Yes	No	No	67,464	49,560	73.46
88	Empowerment Through Political Participation	Foundation of Social and Political Sciences	-	Yes	No	Yes	No	47,810	42,551	89.00
94	Extension of capacity of Lion's Child Care Centre	Lions Infant and Childcare Centre of Strovolos Industrial Estate	-	No	Yes	No	No	262,000	49,780	19.00

Nr.	Title	Applicant Organisation	Partners	Empowerment of Young People in the Civil Society	Health and Childcare	Bi-communality	Bi-lateral relations	Project Budget €	NGO Fund Grant €	Funding Rate %
95	Palehori Youth Cultural Centre	Iraklis Palehoriou	-	Yes	No	No	No	102,500	51,250	50.00
98	Building Capacity to Deliver Results	Open Therapeutic Community of Addicted Persons "Tolmi"	-	No	Yes	No	No	50,931	45,838	90.00
102	Our Children Matter Initiative	The Cyprus Association of Cancer Patients and Friends	CYPRUS PEDIATRIC SOCIETY, Cyprus Dieticians & Nutrition Association, KIVOTOS ELPIDA	Yes	Yes	No	No	85,433	40,153	47.00
106	Educating Medical Personnel in Haemovigilance	Cyprus Thalassaemia Society	Ministry of Health	No	Yes	No	Yes	34,340	30,906	90.00
110	Thalassaemia Specific Electronic Communications	Thalassaemia International Federation	THALASSAEMIA DERNEGI	No	Yes	Yes	No	65,290	52,885	81.00
112	PROYENT	University of Nicosia Research Foundation	Mediation Association	Yes	No	Yes	Yes	31,668	23,561	74.40

## ANNEX 3

### Copies of extracts of published articles for the CY0015 project

#### **Article 1: Dispatch Challenges in Isolated Power Systems with Large Wind Penetration: the Cyprus Power System Case**

*Abstract--* The objective of this work is to address the technical feasibility and the relative costs and benefits associated with the installation and operation of a significant amount of wind power farms in Cyprus in the near future (year 2011). The power system of Cyprus is a small isolated power system (with no interconnections), and as the system inertia in isolated systems is lower, the frequency change will be faster if load or generation changes. Therefore, the study aims at determining the challenges the system will face when increased shares of electricity sourced from variable renewable energy will be part of the island's power system. The study was carried out using the public version of WILMAR Planning Tool that has the advantage of dealing with stochastic variables such as wind power production. Real measurements of wind speed during a period of two representative periods of the year (summer peak load and spring off-peak load) are used to create time series of probable wind power production in the above mentioned periods. The results are presented as a comparison of the case without wind generation and for the case when wind generation is part of the generation mix, emphasizing the challenges and advantages the system will face.

***Index Terms—* generation dispatch, isolated power system, power system planning and operation, renewable energy sources, wind energy.**

#### I. Introduction

The amount of electricity generation from wind resources exponentially increased during the recent years as the power generation from wind sources became cost competitive with other traditional sources of energy (Fig. 1). Wind generation offers many environmental benefits compared to conventional fossil fuel generation. The most cited driven factors for promoting renewable energy sources (RES) are the reduction of harmful emissions via the reduction of fuel consumption, the consequence of rising fuel costs in electricity prices (oil and gas prices have tripled since 2001, and in April 2008 the price of oil hit \$120 a barrel), and the reduction of the exposure of the economy to fuel price volatility especially for countries that are fuel import dependent [1]-[2]. However, many electric utilities around the world have expressed concerns over installing large-scale wind power plants in the electric power system, due to the variable nature of the wind [2]-[3]. The variability of the wind, together with short-term load fluctuations, are the two principal issues facing a utility with wind power plants in its power system. Small isolated power systems, such as the one in Cyprus, may be more affected especially if their flexibility is significantly limited (no hydro reservoirs, no heat consumption, no cheap storage facilities).

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**This work was supported in part by the ERASMUS Program for Researcher's Mobility and by a grant from Norway through the Norwegian Financial Mechanism.**

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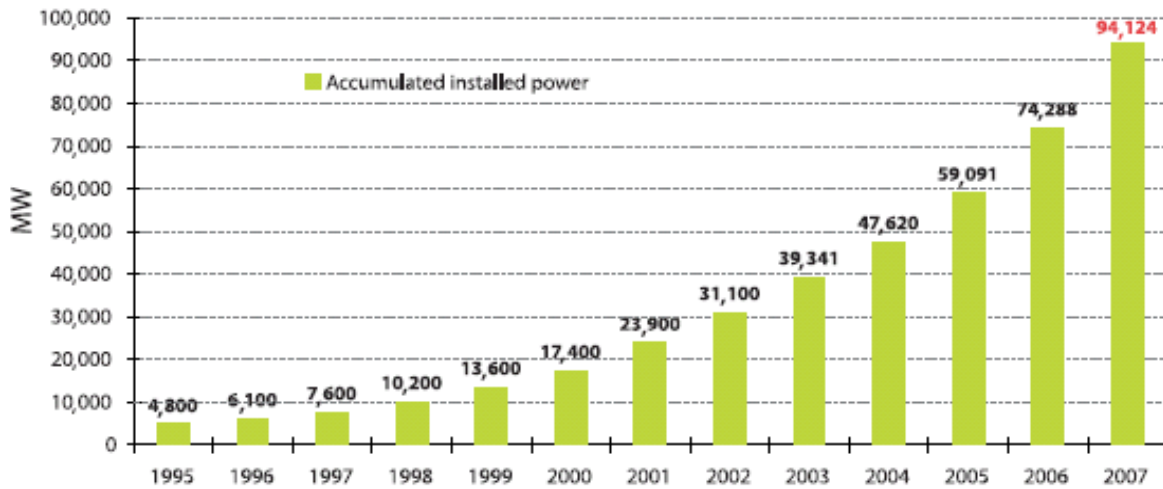


Fig. 1. Accumulated installed wind power capacity around the world between 1995 and 2007 [4]

In the last few years, there were many studies concerning wind power integration into the main grid, some related to the cost of integration, others to the reliability of the system, or both. A bibliographical list of wind impact studies in different countries in Europe, USA and Canada with more than 250 contributions is given in [5]. From those studies, a significant contribution was added by Scandinavian countries, Germany, Spain, and USA [6]-[13], countries that are also leaders in the amount of electricity generation shared from wind sources. The results of the above mentioned studies are not easy to compare due to a number of factors such as the models used for wind farms (e.g., negative load, or thermal generator with effective load carrying capability), conventional generation mix of the power system under analysis, the size of the balancing area and the size of interconnections, difference in methodology, tools and data used, and representation and terminology of results. However, some common conclusions related to wind integration measures are:

- Increase in power system reserve as the penetration level of wind generation increases.
- The variability of wind power is reduced when referring to a large interconnected power system with different sources of generation and having a dispersed wind power production.
- For some systems, there may be a need for increased transmission and larger control areas as the penetration level of wind generation increases.

## Article 2: Design, implementation, and performance monitoring of a hydrogen fuel cell prototype

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### Abstract

This paper describes the design and implementation of a prototype electricity generation system based on hydrogen fuel cells, examines the performance of this system, and draws conclusions regarding its use as a large scale generation system. The issues examined in this work are seen both through a theoretical and a practical viewpoint. Fuel cells are considered to be the most promising future technology of producing electricity. As these developments have occurred, interest in fuel cell technology has expanded. Through this work, the behavior of the fuel cell systems and a familiarization with such a novel technology both theoretically and practically is achieved. This prototype was

designed and manufactured to examine if and how these systems can be used to serve larger loads and how they can be incorporated into today's power system. The fuel cell prototype developed during this work is a very satisfying representation of a practical fuel system under normal operating conditions and it can be used for experimental purposes. During real time operation of the system, parameters such as current and cell voltage, power output, consumption of hydrogen and operating temperature can be monitored with a software interface based on the LabView software, as well as through electronic panel meters. In addition, the software interface allows the user to control the system, to record the measurements and to change its parameters during operation.

## 1. Introduction

Nowadays, fuel cell technology constitutes one of the most rapidly evolving technologies in the sector of electric energy generation. Even though this technology has been known for about 150 years, it started being seriously examined as a source of energy for the future and to enjoy wider acceptance from the scientific community during the last 10 years [2]. Fuel cells are widely seen as the technology of the future for replacing the internal combustion engines in the transportation sector and to produce or store electric energy in the electricity generation sector. [4]

The fuel cell is a device that converts the chemical energy of a fuel into usable electricity and heat without combustion as an intermediate step. Fuel cells are similar to batteries since both produce a DC current by means of an electrochemical process. In a fuel cell, two electrodes, an anode and a cathode, are separated by an electrolyte. The reactant gases are stored externally and the fuel cell can operate as the reactant gases are supplied to it. At the anode, hydrogen atoms are split by a catalyst into hydrogen ions and electrons. The hydrogen ions then travel through the electrolyte to the cathode. Simultaneously, the electrons move through an external circuit to a load and then to the cathode. At this point, oxygen, hydrogen ions, and electrons combine to form water. Fuel cells are combined into groups called stacks to achieve a useful voltage and power output [1].....

## Acknowledgments

The authors would like to thank Hystore Technologies Ltd for their technical support. The financial support of Norway through the Norwegian Financial Mechanism is also acknowledged.

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## ANNEX 4

### Copy of brochure published for the CY0015 project



**κοῖος**  
Center for Intelligent Systems & Networks

**κοῖος**  
Center for Intelligent Systems & Networks

**Πανεπιστήμιο Κύπρου**

**norway grants**

**ZeroCO<sub>2</sub>**

Σύστημα παραγωγής ηλεκτρικής ενέργειας με μηδενικές εκπομπές διοξειδίου του άνθρακα

Ερευνητικό Πρόγραμμα από το Ερευνητικό Κέντρο Τεχνολογίας Ευφυών Συστημάτων και Δικτύων «Κοῖος» του Πανεπιστημίου Κύπρου

Το Ερευνητικό Κέντρο Ευφυών Συστημάτων και Δικτύων «Κοῖος» (KIOS Research Center for Intelligent Systems and Networks) είναι ερευνητική μονάδα του Πανεπιστημίου Κύπρου και εργοδοτεί πάνω από 40 ερευνητές με χρηματοδότηση από την Ευρωπαϊκή Ένωση, το Ίδρυμα Προώθησης Έρευνας και τη Βιομηχανία.

Το «Κοῖος» στοχεύει να συνεισφέρει στην πρόοδο της γνώσης στο σχεδιασμό, παρακολούθηση, διαχείριση και έλεγχο υποδομών ζωτικής σημασίας όπως τα συστήματα παραγωγής και δικτύου μεταφοράς και διανομής ηλεκτρικής ενέργειας συμπεριλαμβανομένων των τεχνολογιών ανανεώσιμων πηγών ενέργειας και της διασποράμενης παραγωγής, τα δίκτυα τηλεπικοινωνιών, και τα συστήματα διασφάλισης περιβαλλοντικής ποιότητας.

Το έργο συγχρηματοδοτείται από την Νορβηγία, στο πλαίσιο συμφωνιών με την Ευρωπαϊκή Ένωση και από την κυβέρνηση της Κυπριακής Δημοκρατίας και το Πανεπιστήμιο Κύπρου.

Συνολικός προϋπολογισμός: €366.000

Συντονιστής Έργου: Ερευνητικό Κέντρο «Κοῖος», Πανεπιστήμιο Κύπρου

Έναρξη Έργου: Μαρτίου 2008

Λήξη Έργου: Απρίλιος 2011

Για περισσότερες πληροφορίες:  
Ερευνητικό Κέντρο Ευφυών Συστημάτων και Δικτύων «Κοῖος»  
Πανεπιστήμιο Κύπρου  
Τηλ: +357 22893450 /451  
Φαξ: +357 22893455

Ηλ. Ταχυδρομείο: kio@ucy.ac.cy

## Η ηλεκτρική ενέργεια που θα παρέχεται θα είναι «πράσινη» και ρυθμιζόμενη

Το Έργο ZeroCO<sub>2</sub>, έχει ως στόχο την ανάπτυξη ενός πρότυπου σταθμού παραγωγής ηλεκτρικής ενέργειας ο οποίος θα βασίζεται σε ανανεώσιμες πηγές (αιολική ενέργεια). Θα έχει ως ξεχωριστό χαρακτηριστικό τη δυνατότητα ρύθμισης της παραγωγής ενέργειας από το σταθμό, σε αντίθεση με άλλες παραδοσιακές ανανεώσιμες πηγές ενέργειας όπου η παραγωγή είναι δύσκολο να ρυθμιστεί.

### ■ ΑΝΑΝΕΩΣΙΜΕΣ ΠΗΓΕΣ ΕΝΕΡΓΕΙΑΣ ΚΑΙ ΕΝΕΡΓΕΙΑΚΗ ΑΠΟΤΕΛΕΣΜΑΤΙΚΟΤΗΤΑ

Η Ευρωπαϊκή Ένωση έχει θέσει στόχους για την παραγωγή ενέργειας από ανανεώσιμες πηγές ενέργειας (ΑΠΕ) καθώς και για τη μείωση των εκπομπών αερίων του θερμοκηπίου. Η έρευνα στον τομέα της βελτιστοποίησης της μεγάλης κλίμακας ηλεκτροπαραγωγής από ΑΠΕ είναι ζωτικής σημασίας για την μείωση της εφόρτησης μας από ορυκτά καύσιμα και την επίτευξη των πιο πάνω στόχων που έχουν τεθεί.

Η επιτυχής υλοποίηση του έργου ZeroCO<sub>2</sub>, θα συμβάλει στην επίτευξη των στόχων που τέθηκαν από την Ευρωπαϊκή Ένωση για την παραγωγή ενέργειας από ανανεώσιμες πηγές καθώς και στην μείωση των εκπομπών διοξειδίου του άνθρακα όχι μόνο στα πλαίσια της Κύπρου αλλά και στον ευρύτερο ευρωπαϊκό χώρο.

### ■ ΤΟ ΣΥΣΤΗΜΑ

Το έργο ZeroCO<sub>2</sub> επικεντρώνεται στον τομέα της εξειδικευμένης τεχνολογικής έρευνας και στοχεύει στην κατασκευή ενός πιλοτικού συστήματος παραγωγής ηλεκτρικής ενέργειας με μηδενικές εκπομπές διοξειδίου του άνθρακα. Το πιλοτικό σύστημα θα συμπεριλάβει την κατασκευή ανεμογεννήτριας, που θα είναι ονομαστικής ισχύος 225 kW, ενώ οι κυψέλες καυσίμου θα είναι ονομαστικής ισχύος 50 kW. Το σύστημα θα βασίζεται στην λήψη ηλεκτρικής ενέργειας από ΑΠΕ (στο συγκεκριμένο έργο αιολική ενέργεια), την παραγωγή υδρογόνου μέσω ηλεκτρόλυσης, την αποθήκευση του υδρογόνου σε φιάλες, τη χρήση κυψελών καυσίμου για την παραγωγή ηλεκτρικής ενέργειας σε μορφή συνεχούς τάσης και την διασύνδεση με το δίκτυο μέσης τάσης της Αρχής Ηλεκτρισμού Κύπρου.

Η διασύνδεση θα επιτευχθεί αφού πρώτα γίνει η μετατροπή της συνεχούς τάσης σε εναλλασσόμενη μέσω μιας τεχνολογίας για την οποία έχει κατατεθεί δίπλωμα ευρεσιτεχνίας από το Ερευνητικό Κέντρο «Καίος» του Πανεπιστημίου Κύπρου.

Το σύστημα, μέσα στα πλαίσια του Ερευνητικού Έργου θα δοκιμασθεί σε διάφορες συνθήκες λειτουργίας για να εξεταστεί η απόκριση του επιμέρους εξοπλισμού σε μεταβολές εισόδου ή μεταβολές φορτίου, όπως και την αλληλεπίδραση του συστήματος με το δίκτυο ηλεκτρικής ισχύος.



Ανεμογεννήτρια και λοιπός εξοπλισμός όπως αναμένεται να φαίνονται με την αποπεράτωση του Έργου

### ■ ΑΝΤΙΚΤΥΠΟΣ ΚΑΙ ΠΡΟΣΤΙΘΕΜΕΝΗ ΑΞΙΑ ΤΟΥ ΕΡΓΟΥ:

- Δυνατότητα αποθήκευσης της ηλεκτρικής ενέργειας που παράγεται από μη σταθερές και μη ελεγχόμενες ΑΠΕ
- Δυνατότητα ελέγχου της παραγωγής από ΑΠΕ, προσφέροντας ηλεκτρική ισχύ στο δίκτυο τις ώρες μέγιστης ζήτησης
- Δυνατότητα παροχής επικουρικών υπηρεσιών (για παράδειγμα, παροχή άεργου ισχύος και στρεφόμενης εφεδρείας) (σε αντίθεση με τις μέχρι τώρα συνθήκες όπου η ύπαρξη ΑΠΕ σπατάλη στρεφόμενη εφεδρεία για κάλυψη της μεταβλητότητας της παραγωγής)
- Αποφυγή διείσδυσης αρμονικών στο δίκτυο αφού για την μετατροπή *d.c./a.c* δεν θα χρησιμοποιηθεί μετατροπέας (inverter)

### ■ ΑΡΧΗ ΗΛΕΚΤΡΙΣΜΟΥ ΚΥΠΡΟΥ

Ιδιαίτερες ευχαριστίες στην Αρχή Ηλεκτρισμού Κύπρου (ΑΗΚ) για τη βοήθεια που παρέχει στη διαδικασία διασύνδεσης του πιλοτικού συστήματος και για τη συνεργασία στο ερευνητικό έργο.

Η ΑΗΚ υποστηρίζει το Ερευνητικό Κέντρο «Καίος» από την ίδρυσή του. Η συνεργασία «Καίος»-ΑΗΚ σε αριθμό ερευνητικών έργων είναι συνεχής.

Τα ερευνητικά αποτελέσματα που επιτυγχάνονται μέσω αυτής της συνεργασίας τίθενται στη διάθεση της ΑΗΚ για χρήση και εφαρμογή.

## ANNEX 5

Copies of press articles for the NGO Fund.

Project No.: NGOFUND/CY/087  
Project Title: Ouranio Toxo

Newspaper: Politis – Tuesday, 5.1.2010

Πολυδύναμο Δημοτικό Κέντρο

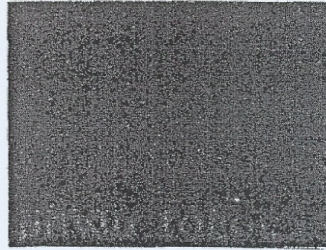
## Πρόγραμμα «Ουράνιο Τόξο»

**Το Πολυδύναμο** Δημοτικό Κέντρο Λευκωσίας ανακοινώνει τη λειτουργία του προγράμματος "Ουράνιο Τόξο".

Η λειτουργία του "Ουράνιου Τόξου" πραγματοποιείται με χρηματοδότηση κατά 90% από τα ταμεία της Ισλανδίας, Λίχτενσταϊν και Νορβηγίας μέσω του Ευρωπαϊκού Οικονομικού Χάρου και των Νορβηγικών Μηχανισμών και της Κυπριακής Δημοκρατίας μέσω του Γραφείου Προγραμματισμού.

Το "Ουράνιο Τόξο" έχει ως βασικό στόχο τη δημιουργική απασχόληση παιδιών μετά τη λήξη του σχολικού προγράμματος και κατά τη διάρκεια των σχολικών διακοπών, μέσω ενός προγράμματος εκπαιδευτικών δραστηριοτήτων (θέατρο, γυμναστική, τέχνη, βοήθεια με τα σχολικά μαθήματα) με απώτερο σκοπό την αποδέσμευση των εργαζόμενων γονέων των παιδιών, κυρίως των μητέρων τους, διευκολύνοντας την ένταξη ή παραμονή τους στην αγορά εργασίας και τη συμφιλίωση της οικογενειακής και επαγγελματικής ζωής.

Στο Πρόγραμμα μπορούν να συμμετάσχουν παιδιά ηλικίας 5 έως 12 ετών, με περιοχή διαμονής το Δήμο Λευκωσίας (και ιδιαίτερα την εντός των τειχών πόλη) που προέρχονται από μονογονεϊκές ή / και πολύτεκνες οικογένειες. Το "Ουράνιο Τόξο" θα λειτουργεί καθημερινά, από Δευτέρα μέχρι Πα-



ρασκευή, από τη 1:30 μ.μ. μέχρι τις 5:30 μ.μ. κατά τη διάρκεια του σχολικού έτους, και από τις 7:30 π.μ. μέχρι τις 4:00 μ.μ. κατά τη διάρκεια των καλοκαιρινών διακοπών.

Για περισσότερες πληροφορίες και για τη συμπλήρωση εντύπου εκδήλωσης ενδιαφέροντος για συμμετοχή στο Πρόγραμμα, οι ενδιαφερόμενοι μπορούν να αποταθούν μεταξύ των ωρών 07:30 - 17:30, στα τηλ: 22 877856 - 22 877860.

ΠΟΛΙΤΗΣ

Τρίτη, 5 Ιανουαρίου 2010, p. 59



Project No.: NGOFUND/CY/020

Project Title: Empowerment of the ADHD Community

Newspaper: The Cyprus Weekly – 11-17 December 2009

THE CYPRUS WEEKLY

DECEMBER 11 - 17, 2009

MARKET NEWS 15

## ADD-ADHD Cyprus Walk-In Centre opens

**A**DD-ADHD Cyprus yesterday officially opened its Walk-In Centre at 8, Stavrosanton St, Nicosia. The Expanded Centre in Cyprus is devoted to helping those with Attention Deficit, Hyperactivity Disorder (AD/HD) through a multi-disciplinary team.

"This Walk-In Centre is the culmination of nine years of hard work by an

amazing group of volunteers who strive to improve the lives of all of those affected by AD/HD," said Susan Chrysostomou, Founder and Executive Director of ADD-ADHD Cyprus.

ADD-ADHD Cyprus is a voluntary association that provides support, information, education and advocacy to support its vision of an integrated and

empowered AD/HD community.

AD/HD is a neurobiological disorder that experts estimate affects 3-5% of school age children. Children and adults with AD/HD experience chronic difficulties with inattention, impulsivity and/or hyperactivity.

Without early identification and appropriate treatment, AD/HD can

have serious consequences that include school failure and drop out, depression, failed relationships, underachievement in the workplace, and substance abuse.

With the Walk-In Centre, ADD-ADHD Cyprus will expand its services to the AD/HD community.

"In addition to monthly meetings, and lectures,

a website ([www.add-adhd.org.cy](http://www.add-adhd.org.cy)) and newsletter, we will now offer an AD/HD library, regular parent/teacher training, life skills, special education lessons (primary & secondary), occupational therapy, speech and language therapy and also psycho educational assessments. Special thanks goes to the EEA NGO FUND for funding the

programme "Empowering the ADHD Community in Cyprus" as well as the collaboration with the ministries of Education and Health, which have encouraged us in our mission", explained Susan Chrysostomou.

For more information, please contact Susan Chrysostomou, ADD-ADHD Cyprus. +357 22 448992 or +357 99 651893.

Project No.: NGOFUND/CY/022  
 Project Title: Upgrading of the Services provided and  
 Methods used at "KIVOTOS" Foundation for children with  
 special needs

Newspaper: Phileleftheros – Wednesday, 18.11.2009

## Χρήματα της Ευρώπης για την «Κιβωτό»

Θα εγκατασταθεί ένα καινούργιο και τεχνολογικά αναβαθμισμένο πολυαισθητηριακό δωμάτιο

**ΧΡΗΜΑΤΟΔΟΤΗΣΗ** ύψους 55 κιλιάδων ευρώ έχει επιτύχει η Πάφος για πρόγραμμα στήριξης παιδιών με ειδικές ανάγκες από την Ευρωπαϊκή Ένωση στο πλαίσιο του προγράμματος «Υγεία και Φροντίδα του Παιδιού». Η χρηματοδότηση εγκρίθηκε για το Ίδρυμα «Κιβωτός», το οποίο υπέβαλε τη σχετική αίτηση σε συνεργασία με τον Δήμο Πάφου.

Μιλώντας στην «Φ» ο δημοτικός σύμβουλος και πρόεδρος του Δημοτικού Συμβουλίου Νεολαίας Πάφου, Χρύσανθος Σαββίδης, τόνισε ότι η «Κιβω-

τός» και η δημοτική αρχή εγκρίθηκαν στο πρόγραμμα χρηματοδότησης μη κυβερνητικών οργανισμών στο πλαίσιο του οικονομικού μηχανισμού της Ευρωπαϊκής Ένωσης και του Νορβηγικού Μηχανισμού 2004-2009 για την Κυπριακή Δημοκρατία.

Οι χώρες που ηγήθηκαν της χρηματοδότησης των μη κυβερνητικών οργανισμών, τόνισε ο κ. Σαββίδης, είναι η Νορβηγία, η Ισλανδία, τα Αζιτενστάν και η Κύπρος.

Το έργο τα οποία εγκρίθηκε για την

«Κιβωτό» περιλαμβάνει αναβάθμιση των υπηρεσιών και των μεθόδων που χρησιμοποιούνται για παιδιά με ειδικές ανάγκες ηλικίας μέχρι 21 ετών στο ίδρυμα.

Περιλαμβάνει επίσης αγορά σύγχρονου τεχνολογικού εξοπλισμού και εκπαίδευση και επιμόρφωση προσωπικού και γονέων».

Ο Χρύσανθος Σαββίδης ανακοίνωσε ότι βάσει της απόφασης για ευρωπαϊκή χρηματοδότηση, ένα καινούργιο και τεχνολογικά αναβαθμισμένο πολυαι-

σθητηριακό δωμάτιο θα εγκατασταθεί και θα χρησιμοποιείται για την ενθάρρυνση της επικοινωνίας και της συνεννόησης με τη βελτίωση της αντίληψης των προσφών άσπαστων λέξεων, την ενεργή δράση και αντίδραση σε γεγονότα, την ενδυνάμωση της μνήμης και άλλα.

«Ο καινούργιος εξοπλισμός της Κιβωτού», είπε ο πρόεδρος του Δημοτικού Συμβουλίου Νεολαίας, «θα υποβοηθήσει στην αντιμετώπιση κληρονομικών προβλημάτων, στην ανάπτυξη

συντονισμού κινήσεων και στην ανάπτυξη της αυτοσχέδιας τους».

Η «Κιβωτός» στερίζεται αποκλειστικά στην εθελοντική συνεισφορά κάποιων δημοτών. Στο τμήμα Πάφου της οργάνωσης περιβάλλονται σήμερα γύρω στα 30 παιδιά με προβλήματα οβάρως μορφής, ενώ όπως είπε ο δημοτικός σύμβουλος του ΔΗΚΟ εκκρεμούν άλλες 18 αιτήσεις γονέων για ένταξη των δικών τους παιδιών στα προγράμματα της «Κιβωτού».

ΝΤΟΦΑ ΧΡΗΣΤΟΛΟΥ

Project No.: NGOFUND/CY/012  
Project Title: Let 's Become the Generation of Reunification  
Newspaper: Phileleftheros – Friday, 16.1.2010

### Δικαιοτικό πρόγραμμα από την ΕΔΟΝ

Η ΕΔΟΝ ανέλαβε την πραγματοποίηση ενός δικαιοτικού σχεδίου - προγράμματος υπό τον τίτλο «Let's become the generation of reunification», που συγχρηματοδοτείται από την Ισλανδία, το Λίχτενσταϊν και τη Νορβηγία μέσω του Χρηματοδοτικού Μηχανισμού του Ευρωπαϊκού Οικονομικού Χώρου (ΕΟΧ) και του Νορβηγικού Χρηματοδοτικού Μηχανισμού και της Κυπριακής Δημοκρατίας. Η επαναπροσέγγιση, τονίζει η ΕΔΟΝ, ήταν και παραμένει πολύ ψηλά στις πολιτικές προτεραιότητες της

και αποτελεί κεντρικό σημείο αναφοράς στην όλη δραστηριότητα και δράση που αναπτύσσει για επανένωση του κυπριακού λαού.

Στα πλαίσια του σχεδίου εντάσσεται μεγάλος αριθμός εκδηλώσεων που έχουν χαρακτήρα δικαιοτικό όπως το παγκύπριο και δικαιοτικά περιφερειακά φεστιβάλ της ΕΔΟΝ, η ετήσια παγκύπρια εκδρομή στο Τρόοδος, το δεκαήμερο επαναπροσέγγισης το οποίο περιλαμβάνει συζητήσεις στοργυλής τραπεζής και διασκέψεις τύπου.

Project No.: NGOFUND/CY/034  
Project Title: Creation of a Snoezelen Room

Newspaper: Phileleftheros – Sunday, 21.2.2010

21 ΦΕΒΡΟΥΑΡΙΟΥ 2010



### Ο πρόεδρος της Νορβηγίας στο Ίδρυμα «Θεοτόκος»

Ο πρόεδρος της Νορβηγίας Sverre Stub επισκέφθηκε το Ίδρυμα «Θεοτόκος» στις 2 Φεβρουαρίου 2010 για να αξιολογήσει τη βοήθεια στην οποία συνέβαλε και η χώρα του και μάλιστα κατ' εξαίρεση σε μεγαλύτερο βαθμό για να μπορέσει το «Θεοτόκος» να κατασκευάσει και λειτουργήσει χώρο πολυαισθητηριακής αγωγής (snoezelen) με στόχο να βοηθήσει τα παιδιά με βαριά νοητική υστέρηση στην εκπαίδευση και γενικά στην καλύτερη προσαρμοστική τους αγωγή. Στη φωτογραφία ο πρόεδρος ξεναγείται από τον πρόεδρο του ιδρύματος, Αμέρικο Αργυρίου.

# Εγκυμοσύνη και συγγενείς καρδιοπαθήσεις

## Ιατρικό Συνέδριο με διακεκριμένους επιστήμονες από το εξωτερικό

**Η ΠΡΟΟΠΤΙΚΗ** μιας εγκυμοσύνης για τις νεαρές γυναίκες με εκ γενετής καρδιοπαθήσεις ήταν κάτι ανέφικτο και οι διορθώσεις που απαιτούνται από τους γιατρούς τους ήταν να αποφύγουν κάθε πιθανότητα. Σήμερα, η προοπτική αυτή είναι πλέον εφικτή, δεδομένου ότι γίνεται σωστός προγραμματισμός και η μέγιστη δυνατή βοήθεια δίδεται κατάλληλη επιβλεπή. Οι νεαρές γυναίκες με φυσικό ογκρά λειτουργία ή με ελαφριά διορθωμένα προβλήματα, μπο-

ρουν να τεκνοποιήσουν χωρίς ιδιαίτερου κινδύνου. Στις περισσότερες ωστόσο, που υπάρχουν πολλά όργανα καρδιοπαθών, που σημαίνει αμφοδύναμη διορθώσεις με σημαντικά αμφοδύναμη πρόβλήματα. Οι αυξημένες καρδιαγγειακές απαιτήσεις της εγκυμοσύνης, μπορεί να επιβαρύνουν την αμφοδύναμη κατάσταση τους με πιθανές σοβαρές και επικίνδυνες επιπλοκές. Σ αυτές τις περιπτώσεις, χρειάζεται εξειδικευμένη φροντίδα από ομάδα γιατρών, διαφορών ειδικοτήτων με στόχο

φέρων και ειδικές γνώσεις στον τομέα αυτόν, για να μπορέσουν οι γυναίκες να φέρουν σε πέρας την εγκυμοσύνη και να κάνουν τις καρδιάς μητροπότης με ασφάλεια. Οι ειδικές με σύγχρονη καρδιοπαθολογία και εγκυμοσύνη είναι το θέμα που θα συζητήσει Ιατρικό συνέδριο που διοργανώνουν σήμερα στην Αευκώλια, από τις 9 π.μ. - 4 π.μ. στο Πολιτιστικό Ίδρυμα της Επαρχίας Μονής Κύκου στον Αρχαγγέλιο, το κέντρο Εξειδικευμένης φροντίδας στις γυναίκες από το εξωτερικό. Τα θέματα που θα συζητηθούν θα αναπληρώσουν διοικητικές γιατρούς από το εξωτερικό, ενώ θα γίνει η παρουσίαση για δημοσιογραφική ομάδα από γιατρούς διαφόρων ειδικοτήτων στην Κύπρο για την πρόληψη αυτής της

**ΚΙΚΑ ΚΑΣΙΜΙΛΟΥ**



**ANNEX 6****FINANCIAL STATUS OF THE NORWEGIAN FM AS AT 31/08/2010****EEA AND NORWEGIAN FINANCIAL MECHANISM****PAYING AUTHORITY**

TREASURY OF THE REPUBLIC

**FINANCIAL STATUS OF FINANCIAL MECHANISMS FUNDS**

Projects	Estimated Eligible Project Cost	Contracted until April 2010	EEA FM			NORWEGIAN FM			National Budget		PP CO-FINANCING	
			EEA FM Allocation	Disbursed by FMO	%	NORWEGIAN FM Allocation	Disbursed by FMO	%	National Budget Co-financing	Disbursed	Project Promoter Co-financing	Disbursed
<b>CY0011</b> - Revitalising the "Buffer Zone": An Educational Center and Home for Cooperation	1,022,804.00 <sup>1</sup>	1,217,858.00	332,740.00	246,829.00	74%	417,180.00	309,467.00	74%	54,560.00	604.00	218,324.00 <sup>2</sup>	1,064.00
<b>CY0012</b> - Preparation of an Integrated Management Plan for the Pafos Forest in Cyprus	536,500.00	404,230.00	447,226.00	246,278.00	55%	0.00	0.00	n/a	89,274.00	49,161.00	0.00	0.00
<b>CY0013</b> - Cyprus Archaeological Digitisation Programme - CADiP	394,967.00	381,967.00	0.00	0.00	n/a	281,809.00	84,481.00	30%	113,158.00	33,922.00	0.00	0.00

<b>CY0014</b> - Restoration of Salamiou village old school building, for use as a regional centre for environmental education	735,040.00	699,671.00	0.00	0.00	n/a	624,784.00	298,758.00	48%	22,050.00	10,544.00	88,206.00	42,178.00
<b>CY0015</b> - A zero CO <sub>2</sub> emissions electricity generation prototype (ZeroCO <sub>2</sub> )	886,535.00	608,338.00	0.00	0.00	n/a	748,856.00	81,096.00	11%	27,535.00	2,982.00	110,144.00	11,928.00
<b>TOTAL FOR PROJECTS</b>	<b>3,575,846.00</b>	<b>3,312,064.00</b>	<b>779,966.00</b>	<b>493,107.00</b>		<b>2,072,629.00</b>	<b>773,802.00</b>		<b>306,577.00</b>	<b>97,213.00</b>	<b>416,674.00</b>	<b>55,170.00</b>
<b>CY0017 - NGO Fund</b>	1,667,000.00	1,666,761.00	404,991.00	359,949.00	89%	1,094,976.00	973,195.00	89%	167,033.00	143,574.00	0.00	0.00
<b>TOTAL GRANT</b>	<b>5,242,846.00</b>	<b>4,978,825.00</b>	<b>1,184,957.00</b>	<b>853,056.00</b>	<b>72%</b>	<b>3,167,605.00</b>	<b>1,746,997.00</b>	<b>55%</b>	<b>473,610.00</b>	<b>240,787.00</b>	<b>416,674.00</b>	<b>55,170.00</b>

**NOTES**

1. Total cost amounts to €1.272.722
2. This amount includes Project Promoter co-financing of €100.000 and Swiss Contribution of €118.324
3. Cut-off date is 31/08/2010
4. The contracted amount does not include staff salaries and other expenses for which no contracts need to be signed

## **ANNEX 7**

### **Audit Plan**

In accordance with the Rules and Procedures, the financial control and auditing of projects should be conducted in compliance with applicable rules ensuring the efficient and correct use of available funds, the complete and sufficient audit trails in all institutions and the effective financial control and audits of approved projects. These tasks are undertaken by the Internal Audit Service through the auditing of approved projects financed from the Financial Mechanisms as well as through the conducting of on the spot checks. The Internal Audit Service ensures on the basis of risk analysis that the projects are audited to an adequate extent.

The weighted risk criteria used for the selection of projects to be audited involve the following:

- Complexity relating to the implementation of the project and its complexity (type of expenditure/project/contracts)
- Project budget amount/amount of Grant approved
- The risk associated with the PP (nature of the PP/prior experience in the implementation of EU co financed projects)
- Relativity of project with the PP's normal line of business

Based on the results of the Risk Assessment Model conducted, the following two projects that have ranked as first and second respectively and will be audited by 2011:

(1) CY0011-Revitalizing the buffer zone- An Educational Centre and Home for Cooperation – PP: Association of Historical Dialogue and Research

(2) CY0014-Restoration of Salamiou Village old school building, for use as a regional centre for environmental education- PP: Salamiou Village Council

Although the NGO Fund due to its specificities, was not included in the above mentioned Risk Assessment procedure, it was decided that the NGO Fund will be audited. The audit may be carried out from three distinct perspectives as follows:

- The selection/procurement procedure for the NGO Fund Intermediary (at the level of the NFP)-carried out in September 2009
- A system audit at the level of the NGO Fund Intermediary, if deemed necessary
- Project audits at the level of individual projects selected

#### 2010 Audit Plan (Fourth Quarter)

The Internal Audit Service has planned for 2010 to carry out project audits on projects selected under the NGO Fund that will be completed. These Projects will be selected for audit using the random sampling method and the project audits coverage will range approximately between 10%-15% of the Fund.

As regards the audit of the individual projects, a complementary audit will be carried out for the Project CY0014, "Restoration of Salamiou Village old school building", upon its completion. As far as the audit for the second individual project CY0011, Revitalizing the buffer zone- An Educational Centre and Home for Cooperation, is concerned, this will concentrate on the contracting/public procurement procedures followed. This audit was planned for 2009 but due to the delay in the launching of the tendering process, it will be carried out during the fourth quarter of 2010.