



Brussels, 22.2.2022
SWD(2022) 46 final

COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE EVALUATION

of the Aid Programme for the Turkish Cypriot community (2013-2018)

{SWD(2022) 44 final}

COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE EVALUATION

of the Aid Programme for the Turkish Cypriot community (2013-2018)

Council Regulation (EC) No 389/2006 set up the Aid Programme for the Turkish Cypriot community (TCc), with the **general objective** ‘to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community]’. This programme has undergone an evaluation covering the period 2013-2018 to examine how it has performed against the six evaluation criteria (relevance, effectiveness, efficiency, coherence, EU added value and sustainability). The external evaluation assessed a sample of 22 interventions, corresponding to around 60% of the programme’s total operational budget. Data collection tools included desk research, interviews, an online survey and a public consultation.

The aid programme budget totalled EUR 199 million for 2013-2018 and is managed by the Cyprus Settlement Support unit of the European Commission’s Directorate-General for Structural Reform Support (DG REFORM). Implementation is supervised by the EU Programme Support Office (EUPSO), located in the northern part of Nicosia. This staff working document provides conclusions and lessons learned.

The evaluation concludes that the challenges faced by the Turkish Cypriot community, which drove the Aid Programme’s establishment, have largely persisted to date. Therefore, the programme continues to be **relevant**. The funded interventions had a clear link with the programme’s objectives and proved to be adapted to emerging needs and opportunities. While actions were generally well-designed and adequately adapted to local realities, in some cases assumptions about the capacity of TCc beneficiaries to absorb the assistance were too optimistic.

On **effectiveness**, the evaluation shows that most of the actions evaluated delivered their envisaged outputs and reached the expected beneficiaries, although one third of the interventions faced significant delays in implementation. Furthermore, feedback from stakeholders pointed to an overall high degree of satisfaction among beneficiaries of EU assistance.

The programme’s effectiveness was also hindered by the low capacity and sometimes limited commitment of TCc stakeholders. The Aid Programme has had a positive effect on the economic development of the TCc, although this effect remains modest compared to the size of the community’s total economy. Available data also shows that division on the Cyprus question persists. As regards the Aid Programme’s contribution to facilitating Cyprus’s reunification, the evidence suggests that by facilitating bi-communal initiatives, the programme can be considered to have played a role in keeping the reunification option open.

The design and implementation of the operations funded under the Aid Programme have been profoundly affected by the non-recognition of TCc ‘counterparts’, which prevents signature of formal agreements between the EU and beneficiary bodies. The political context also had other major

implications on operations, including the impossibility of the Aid Programme to work on institution building. The political context also generated problems connected with the need to verify land property rights, often delaying or preventing scheduled infrastructure projects. The generally low capacity and scarce resources of local entities, as well as their limited or fluctuating commitment, also hindered implementation, especially in the case of EU *acquis*-related actions.

On the question of **efficiency**, the evaluation could not draw solid conclusions on the cost-effectiveness of the Aid Programme as a whole. The peculiar context in which the programme operates requires a high degree of hands-on monitoring. This results in significant managing and support costs, which amounted to around 10% of the total funding for 2013-2018, explained particularly by the low capacity of the grant beneficiaries. The evaluation also shows that interventions were often affected by delays, particularly those interventions related to infrastructure development. Cost overruns happened less frequently.

The level of **sustainability** of the Aid Programme overall varies. The sustainability of for the evaluated infrastructure development-related interventions seems relatively weak, while the sustainability of interventions in rural development and human resources development appears more favourable. The results achieved through operations to foster reconciliation, build confidence, support civil society and bring the TCc closer to the EU have generally been maintained. However, their sustainability relies largely on the continuation of EU assistance. The evaluation also looked at factors influencing the programme's sustainability. The main factors are the level of commitment and ownership, the availability of financial resources, and the TCc counterparts' human resources capacity. The level of ownership and commitment on the side of the TCc counterparts varies. Challenges in local commitment and ownership are often influenced by the non-recognition of TCc counterparts and the volatile political context. The financial resources available to TCc counterparts are generally scarce for all areas of the Aid Programme intervention. Lastly, the TCc counterparts' human resources capacity is generally improving, but still needs further strengthening.

On **EU added value**, all consulted stakeholders consider the continuation of EU assistance paramount. The Aid Programme is essentially the only source of support for the Turkish Cypriot community, apart from support from Turkey, which has been decreasing. The feedback from stakeholders shows that the Aid Programme is widely appreciated and recognised as being of vital importance to the TCc. Most TCc beneficiaries indicate that the programme's objectives would not have been achieved without support and funding from the EU.

Last but not least, the evaluation highlights the **coherence** of the interventions supported by the Aid Programme. These are designed to complement and reinforce each other, and in general the programme displays a fairly high degree of 'internal coherence'. Assistance to the TCc is also generally consistent with EU action in the Republic of Cyprus, as delivered through various structural and investment funds, focusing on similar priority areas and sometimes relying on similar instruments.

The evaluation concludes that the Aid Programme can be considered as highly relevant and, given the peculiar circumstances of the TCc context, a relatively successful initiative. It has also been a generally coherent and efficient programme despite delays, through which the EU has added

substantial value. However, prospects for sustainability in most areas primarily rely on continued EU support.