



European
Commission



DIRECTORATE-GENERAL FOR
STRUCTURAL REFORM SUPPORT

Delivering on EU Support for a Cyprus Settlement: Legacy and Vision

Structural
Reform Support

FOREWORD BY THE COMMISSIONER



ELISA FERREIRA

European Commissioner for Cohesion and Reforms

The EU remains fully committed to the reunification of Cyprus. Our goal is a comprehensive settlement, within the UN framework, and in accordance with the relevant UN Security Council resolutions. To that end we are mobilising also substantial economic and social support.

During my five years as European Commissioner for Cohesion and Reforms, it has been my responsibility to oversee the various EU instruments helping the Turkish Cypriot community. This is a matter of European principle: while EU legislation is temporarily suspended in the part of the island where the Government of the Republic of Cyprus does not exercise effective control, the whole island is an EU Member State. Turkish Cypriots are EU citizens: despite the difficult political constraints, they should feel the benefits of EU membership.

Over the last five years, through the EU Aid Programme for the Turkish Cypriot community, we have promoted a variety of successful initiatives and projects. These range from confidence-building actions between Greek Cypriots and Turkish Cypriots to measures supporting the socio-economic development of the Turkish Cypriot community.

Our projects have made a big difference for individual beneficiaries, as well as contributed significantly to improving the general living conditions of Turkish Cypriots. Small-and-medium-sized companies have become more innovative and competitive thanks to EU grants and technical advice. Many companies managed to cope with the economic repercussions of Covid-19 with EU support.

Our work has also included support for civil society and the promotion of EU standards. In fact, for many civil society organisations, key guardians of human rights and social inclusion in the Turkish Cypriot community, the EU remains the main source of funding.

I am particularly pleased with two major successes, among many. Both were achieved during this mandate, and both are thanks to our joint efforts with a wide range of stakeholders.

One of these was the significant increase in trade across the Green Line. Until 2019, this trade hovered around EUR 4 to 5 million per year. In 2023, it reached a record of EUR 16 million, having grown almost four-fold. I hope this trend will continue. Green Line trade not only contributes to economic development, but also builds trust, exchange and contacts between the two communities.

The second major success was the registration of the famous Cypriot cheese Halloumi (in Greek) or Hellim (in Turkish) as an EU Protected Designation of Origin (PDO). This benefits producers across the island – in fact, it is the first Cypriot PDO open to Turkish Cypriot producers.

The potential for economic benefits is significant: in 2023, the EU Halloumi/Hellim market was worth EUR 115 million. The two EU legal acts adopted in 2021 not only give the Turkish Cypriot producers the opportunity to apply and qualify for the Halloumi/Hellim PDO, they will also make possible to sell it across the Green Line in the EU market – once the Turkish Cypriot community reaches compliance with EU food safety and animal health standards. Through the Aid Programme, the European Commission is helping the producers to achieve this objective.

Through all these activities, the Aid Programme is a key EU instrument supporting the UN-facilitated settlement process. Reunification remains the best option for the future of the island – and indeed, for all Cypriots. However, despite UN efforts and EU support, political stalemate continues, and a breakthrough is yet to be achieved.

But I choose to believe in a better future. I saw the first fruits when I attended the first graduation ceremony of our joint European scholarships for both Greek Cypriot and Turkish Cypriot students. I found it incredibly moving, seeing the youth from the two communities come together – and succeed – with European support.

This, for me, is the only way forward: working on joint initiatives, bringing ordinary people together for joint success and changing their lives for the better. And we in the European Commission will continue to support you with all means at our disposal. Ultimately, the solution lies in both communities being able to overcome their troubled history and make the necessary compromises so that reconciliation, reunification and joint prosperity take root in the entire island.

I. INTRODUCTION

The whole of Cyprus is an EU Member State, and all Cypriots are EU citizens. However, the country is currently de facto divided between areas in which the Government of the Republic of Cyprus exercises effective control and in which EU legislation applies, and areas outside the Government's effective control where the Turkish Cypriot community resides and where EU legislation is temporarily suspended.

The EU supports the efforts for a comprehensive settlement of the Cyprus issue to ensure a better future for all Cypriots, and to help achieve lasting security and stability in the Eastern Mediterranean.

Traces of the tragic events which unfolded on the island in the past are still visible, and the de facto division of the island affects the daily lives of all Cypriots. For instance, it is not possible to move around the whole island freely. Cypriots and other people, as well as goods, can cross the "Green Line" (the line demarcating the two de facto parts of the island) only at specific crossing-points and must undergo checks when they move from one side to the other. UN peacekeepers patrol the buffer zone, adjacent to the Green Line.

The EU's key instrument to support a comprehensive settlement of the Cyprus issue within the UN framework is the EU Aid Programme for the Turkish Cypriot community, which is implemented by DG REFORM. The overarching objective of the programme, since its creation in 2006, is to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community with particular emphasis on the economic integration of the island, on improving contacts between the two communities and with the EU, and on preparation for EU legislation - the *acquis*.

The EU's continued involvement in the Cyprus issue is key to bring the two communities closer and, ultimately, to build the foundation for reunification.



"The Aid Programme is a key EU instrument to facilitate Cyprus' reunification and to support the UN-facilitated settlement process. Through the Aid Programme and our initiatives on the island, we have encouraged exchange and cooperation between the two communities, bringing them closer to each other. We have also brought Turkish Cypriots closer to the EU. But we have accomplished more than that – our work is a strong call for continued cooperation between the two communities and for a brighter future of a reunited Cyprus within the EU."

ELISA FERREIRA, EUROPEAN COMMISSIONER FOR COHESION AND REFORMS



"The Aid Programme for the Turkish Cypriot community plays a crucial role towards the creation of sustained and meaningful cooperation between the two communities. In Nicosia, where the division is most acutely felt, these bi-communal projects help bridge gaps between the two communities, creating the foundation for trust-building, a prerequisite for the lasting solution to be achieved."

CONSTANTINOS YIORKADJIS, DISTRICT GOVERNOR OF NICOSIA



"Despite the unique situation of Cyprus and all the obstacles created by these circumstances, the EU Aid Programme helps us build a better infrastructure and gives us hope to overcome these circumstances. The Aid Programme also fosters relations between the two communities and helps civil society organisations advocate for democracy, plurality, and basic human rights."

MEHMET HARMANCI, HEAD OF THE NICOSIA TURKISH CYPRIOT LOCAL COMMUNITY



"... the data suggests that the Aid Programme, by facilitating bi-communal initiatives, can be considered to have played an important role in keeping the reunification option open."

EXTERNAL EVALUATION OF THE AID PROGRAMME, 2022



"Our deepest gratitude is reserved for the European Union. The EU's financial support and active commitment to building bridges between the Cypriot communities is the groundwork thanks to which everything becomes possible."

CYPRIOT HIGH SCHOOL STUDENT, RECIPIENT OF AN EU SCHOLARSHIP



II. DG REFORM

Established in January 2020, DG REFORM is the Commission's service which coordinates EU support to facilitate a Cyprus settlement. In this context, it is mandated to:

1

Act as the single point of contact coordinating all Commission's efforts to achieve a Cyprus settlement under the auspices of the UN;

2

Implement the 2006 EU Aid Programme for the Turkish Cypriot community (Council Regulation (EC) No 389/2006), which seeks to facilitate the reunification of Cyprus; and

3

Monitor the implementation of the EU's Green Line Regulation (Council Regulation (EC) No 866/2004), which enables people, goods and services to cross the Green Line.

The Green Line Regulation has enabled Cypriots and other residents and visitors of Cyprus to cross the Green Line more than 64 million times since 2004. It has allowed Greek Cypriots and Turkish Cypriots to experience daily life on the other side of the Green Line, meet friends or simply go shopping. In 2023, people crossed the Green Line more than 7 million times, which is the second-highest number of yearly crossings ever recorded.

III. ACHIEVEMENTS

A bit of background

DG REFORM has deployed significant resources to support a Cyprus settlement, with staff in Brussels and in Nicosia implementing the Aid Programme for the Turkish Cypriot community and monitoring the implementation of the Green Line Regulation, as well as working on political issues linked to the settlement process within the UN framework.

The Aid Programme finances confidence-building measures between the two communities, supports the socio-economic development of the Turkish Cypriot community and funds infrastructure projects to narrow economic disparities. It brings Turkish Cypriots closer to the EU, e.g., by providing scholarships for university studies in the EU, and supports Turkish Cypriot civil society. It also promotes the EU and alignment with the EU legislation, the EU *acquis*.

Since 2006, the EU has allocated close to EUR 700 million to the Aid Programme. This is an investment in Cyprus' reunification. Under the current EU Multiannual Financial Framework 2021-2027, the Programme's average annual budget is EUR 34 million. The EU's assistance is delivered in a way that does not imply recognition of any public authority in Cyprus other than the Government of the Republic of Cyprus.



A. Giving opportunities to young Cypriots

Since 2019, 706 Turkish Cypriots have received scholarships of up to one year to study at an EU university or do a professional course in the EU, increasing the number of recipients of the EU scholarships since 2007 to 2 300. The scholarships allow them not only to improve their skills, but also to experience Europe's diversity and values and establish lifelong connections. In Cyprus, the Scholarship Programme helps the alumni of the programme to form a network to stay in touch, collaborate and take on an active role in the Turkish Cypriot community.

In 2019, the Aid Programme launched the "Scholarship Programme for Cyprus Youth" with the United World Colleges (UWC), which aims to unite people for peace and a sustainable future. Under this programme, 64 young Turkish Cypriots and Greek Cypriots have been granted scholarships to complete a two-year International Baccalaureate course together at one of the UWC colleges so far. In addition, more than 300 young Turkish Cypriots and Greek Cypriots have participated in UWC youth engagement activities and short courses. Including parents, educators and partners on the island, the UWC education model has engaged 3 000 Cypriots for peace and reconciliation.

In 2021-2022, the Aid Programme delivered science labs to 94 primary and secondary schools in the Turkish Cypriot community and trained the schools' teachers in their use. Now, schoolchildren and teachers conduct hands-on experiments in biology, chemistry, and physics, enhancing their scientific literacy and getting ready for careers as scientists, engineers, and innovators. To accompany the delivery of science labs, four popular competitions were organised during which schools competed against each other for the best science experiments.

Between 2021 and 2023, 109 mostly young Turkish Cypriot farmers participated in EU-funded vocational education & training (VET) courses, obtaining up-to-date knowledge on EU best practices in the agricultural sector. After attending a basic course on farm management, some of the trainees continued to follow specialised courses on issues ranging from organic agriculture to citrus production and beekeeping. The participants welcomed this initiative as one of few opportunities available to Turkish Cypriot farmers and the rural population to acquire new skills.



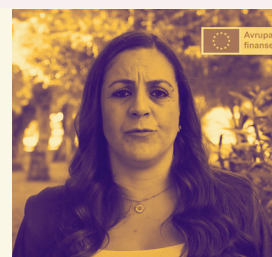
"I want to express my gratitude to the EU for giving us this valuable learning opportunity. It was far more superior than my expectations. Everything the EU gave us was really valuable. My sole wish for the EU is that it continues to create organizations that bring Cypriots together and which promote lifelong friendships, harmony and unity."

CYPRIOT SCHOLAR AT A UNITED WORLD COLLEGE

"Thanks to the courses, I learned many new things, improved my capacity and knowledge, and developed important networks with other farmers and advisors. Now we continue to learn from each other and share our knowledge. Thank you!"

EDA KELEŞZADE

Participant of the VET courses in agriculture



B. Fostering Green Line trade

Trade between the two Cypriot communities, across the Green Line, has proven to be an effective tool to bring people from the two communities together and build mutual trust. The EU's Green Line Regulation, adopted in 2004, sets out the terms under which persons, goods and services can cross between the areas under the effective control of the Government of the Republic of Cyprus and those areas in which the Government of the Republic of Cyprus does not exercise effective control. For goods traded from the Turkish Cypriot community, this means that all products crossing the Green Line must comply with EU standards.

Over the last few years, the Aid Programme has built capacity for commercial exchanges and helped increase Green Line trade almost four-fold, from an average EUR 4.2 million per year until 2019 to a record high of EUR 16 million in 2023. The Aid Programme has helped Turkish Cypriot producers to comply with EU standards. Furthermore, DG REFORM has facilitated contacts with the authorities of the Republic of Cyprus on the admission of more processed foods of non-animal origin to Green Line trade, such as olive oil and olives, various fruit jams, and fruit juices. In 2023, an EU One Stop Shop in Nicosia was opened with experts providing advice to businesses from both communities interested in trading with each other. This service, delivered in close coordination with the Cyprus Chamber of Commerce and Industry and the Turkish Cypriot Chamber of Commerce, is becoming a reference point for companies and growing in importance.



Green Line trade is an economic opportunity for Turkish Cypriot producers and Greek Cypriot traders. Currently, it accounts for around 10% of Turkish Cypriot goods sold outside the Turkish Cypriot community.

With support from the Aid Programme, the Commission appoints EU experts to inspect fruit and vegetables from the Turkish Cypriot community and issue reports of phytosanitary inspections confirming that they are free from Union Quarantine pests before they are allowed to be traded across the Green Line. EU experts also inspect facilities producing the newly admitted processed foods of non-animal origin to verify that the facilities respect EU hygiene standards.



"The Aid Programme for the Turkish Cypriot community has been instrumental in supporting Green Line trade, developing the private sector, and ensuring compliance with EU standards, thereby improving food safety and living standards. As the only EU funding available pending a comprehensive settlement, its continuation is vital for socio-economic development and alignment with the EU. I strongly advocate for increased support of this programme in line with the EU Green Deal objectives, ensuring it includes all economic sectors and provides long-term investment loans and grants to companies."

TURGAY DENİZ

President of the Turkish Cypriot Chamber of Commerce

"The EU Aid Programme for the Turkish Cypriot community has been instrumental in fostering business connections and supporting economic activities across the island. In this context, it is contributing along with other EU initiatives towards the promotion of reunification. Initiatives like StartUps4Peace and the EU One Stop Shop have provided crucial support to businesses, enabling them to connect and cooperate."

STAVROS STAVROU

President of the Cyprus Chamber of Commerce and Industry



"There was a wide smile and a warm welcome from the Turkish Cypriot farmer when we arrived at the field to inspect his harvest. He knows that our work will allow him to trade his product, potatoes, at a fair price across the Green Line. In my 30-year career I have never done such a rewarding work."

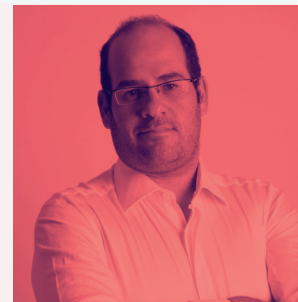
JORGE CAPITÃO

Green Line Independent Expert, phytosanitary controls

"The Green Line Regulation has allowed for unprecedented interaction between all who live in Cyprus. It has also provided the Turkish Cypriots with greater personal and economic opportunities. (...) The Regulation does not replace the need to resolve the Cyprus issue. But until that time, the Regulation allows people and products to cross to the benefit of all communities in Cyprus."

ALEXANDER APOSTOLIDES

Team Leader EU One Stop Shop, in Politis, 14 April 2024





C. The Halloumi/Hellim quality scheme

After more than six years of negotiations, the Commission registered the iconic Cypriot cheese Halloumi, or Hellim in Turkish, as an EU Protected Designation of Origin (PDO) from the island of Cyprus in 2021. Since then, only producers in Cyprus – both Greek Cypriot and Turkish Cypriot – are allowed to market cheese called “Halloumi” or “Hellim” in the EU. This product must be made according to the registered traditional recipe. The Commission also adopted a second Decision specifying the conditions under which Turkish Cypriot producers will be able to sell Halloumi/Hellim across the Green Line, placing it on the EU market where demand for Halloumi/Hellim is strong. In 2023, Halloumi/Hellim exports from the government-controlled areas of Cyprus to other EU countries were worth EUR 115 million.

The Aid Programme has invested more than EUR 30 million of EU funding into helping the Turkish Cypriot community meet the conditions of the PDO scheme and for facilitating the Green Line trade of Halloumi/Hellim. The assistance has been provided in the form of technical expertise and dedicated financial support to farmers and producers. The Turkish Cypriot local bodies in charge of controls throughout the food production chain have benefitted from technical assistance. In 2023, the first three Turkish Cypriot Halloumi/Hellim producers received PDO certifications, and 21 milk-producing farms have so far been PDO-attested.

The conditions for trading Halloumi/Hellim across the Green Line require compliance with EU food safety and animal health standards. Among other things, the Turkish Cypriots must eradicate brucellosis, which can affect cows, sheep and goats that provide milk for Halloumi/Hellim production. The efforts of the Turkish Cypriots have already produced a significant improvement of animal health in their community. The prevalence rate of brucellosis has dropped from over 10% in 2017 in cow, sheep and goat herds to below 0.5% in March 2024.

Halloumi/Hellim is a centuries-old product of the whole island, part of the shared heritage of Cyprus. Implementing the Halloumi/Hellim PDO scheme to the benefit of producers across the island builds trust and demonstrates the benefits of the EU to Turkish Cypriots.



“The successful implementation of the EU Halloumi/Hellim protected designation of origin (PDO) scheme could become a positive example for further bi-communal cooperation and trust building, including support and resulting economic benefits to Turkish Cypriot businesses linked to progress on compliance with EU standards. The EU will continue to support and reinforce such efforts through its instruments and policies towards the Turkish Cypriot community...”

EUROPEAN COMMISSION/EUROPEAN EXTERNAL ACTION SERVICE, JOINT COMMUNICATION TO THE EUROPEAN COUNCIL – STATE OF PLAY OF EU-TÜRKIYE POLITICAL, ECONOMIC AND TRADE RELATIONS, 29 NOVEMBER 2023



"The Food Safety Project helped us improve food safety standards and advised us on the PDO Halloumi/Hellim certification process, so we successfully passed the certification and can now place PDO-compliant Halloumi/Hellim on the market."

ÇAĞKAN GARANTİ

Owner of Garanti dairy factory

"Halloumi/Hellim has always been part of Cypriot life together with other traditional foods like [the cheese] nor, olives and our Cypriot potato. The PDO Halloumi/Hellim opens the doors for the sale of a highly respected product of Turkish Cypriot producers to the EU market, which is a great commercial perspective for us and a rare culinary opportunity for European consumers. We highly appreciate the support of the EU to help us meet the PDO standards, acquire the PDO certificate and provide financial support to improve our production facility."

ALİ BAYRAKTAR

Director for Exports, Gülgün Dairy Products



"We really appreciate the support of the European Union. Through the capacity-building activities provided under the Food Safety Project, we have received training, our control procedures and contingency plans have improved, and we are working every day with the EU experts to improve the food safety and animal health status of the Turkish Cypriot community."

MEHMET DEMİRPENÇE

In charge of veterinary controls in the Turkish Cypriot community

D. Promoting reconciliation and peace

The tragic events of the past have left many scars in Cyprus, which are most acutely felt by families whose loved ones went missing. Not knowing what happened to them, where their remains are, and not being able to bury and mourn them properly causes great anguish and suffering and often does not allow families to heal. Since 2006, the EU has supported the work of the bicomunal Committee on Missing Persons, which has exhumed and identified the remains of 1 047 persons from an official list of 2 002 Greek Cypriots and Turkish Cypriots who went missing. As time passes, it becomes increasingly difficult to find new burial sites; still, in the last five years, the remains of 120 people have been recovered. The Committee has returned all the recovered remains to their families so they could organise dignified burials and find closure. Since 2019, the EU has provided the Committee with EUR 13 million, bringing the total amount of EU support since 2006 to almost EUR 40 million, 80% of the Committee's budget.

Cyprus' rich cultural heritage reflects the common roots of Cypriots and their shared history. By restoring and preserving Cyprus' diverse monuments and cultural heritage sites, the bicomunal Technical Committee on Cultural Heritage, funded by the EU, is giving value to the common history of the two communities. In the last five years, the committee has restored or protected more than 100 cultural heritage sites across Cyprus, including many churches and mosques, which are very important to the religious communities. EU funding of almost EUR 13 million during this period has covered around 80% of this Committee's budget, raising total EU funding for cultural restoration works since 2012 to EUR 28 million. Cyprus' rich cultural heritage can also be visited in digitalised form on the EU-funded website www.cyprusdigitalheritage.com.

EU funding is also directed towards building a brighter future by supporting civil society. In the period 2019-2024, close to EUR 10 million has been granted to 40 Turkish Cypriot civil society organisations and activists, which have implemented 32 projects. In 13 cases, the projects were bicomunal, implemented together with Greek Cypriot civil society organisations and thus concretely contributing to building bridges and trust between the two communities. Other important issues tackled by civil society organisations include the defence of human rights, including freedom of expression, and environmental protection. Since 2019, EU support has also been used to organise 41 training sessions conducted to reinforce the capacity of Turkish Cypriot civil society organisations related to strategy and advocacy, a rights-based approach, fundraising, and communications.

A community centre was constructed with EU funds of EUR 1.2 million in the Maronite village of Kormakitis to serve as a multi-cultural event venue for all Cypriot communities. Opened in March 2023, the centre hosts educational and youth activities, conferences, meetings, and cultural events. It offers basic accommodation facilities and catering for around 70 people. So far, the centre has hosted around 1 000 people.

Bicommunal engagement and bonding among Cypriots is supported across the different sectors of the Aid Programme. For example, up to 16 innovative Turkish Cypriot and Greek Cypriot start-ups are trained together every year since 2019 to become commercially successful and pitch their business ideas in a start-up competition. The winners attend the world’s leading start-up event “Slush” in Helsinki (Startups4Peace, a joint project with the Embassy of Finland in Cyprus and the Aid Programme).

Another example of a bicommunal project is the EU Linguistic Support Project for the Turkish Cypriot community, launched in 2020 to improve the overall quality of translations from and into Turkish. One of the key milestones of the project was to initiate the establishment of a bicommunal professional association for translators and interpreters in Cyprus. In 2023, a group of Greek Cypriot and Turkish Cypriot translators and interpreters visited Brussels where they met with the translation and interpretation services of the Commission and the European Parliament.

In 2023, the Aid Programme funded a pre-feasibility study for a bicommunal solar power plant of around 36 MW in the buffer zone, which would be the first power station in Cyprus jointly managed and owned by the two communities. If the investment goes ahead, the solar power plant will increase bicommunal cooperation in the energy sector, support the greening of the two electricity sectors, and advance the reintegration of the two grids. It would come with an innovative storage facility and set a benchmark for future solar projects on the island.



“Dozens of religious and cultural sites across Cyprus have been restored thanks to the tireless work and commitment of Cypriots and the support of the European Union. These heritage sites are bringing renewed pride to the communities, fostering hard-won trust and reconciliation across the island.”

UNDP CYPRUS

“The EU’s annual contribution of EUR 2.6 million has allowed the Committee of Missing Persons [CMP] to implement its humanitarian operation with the exhumation of more than 1 200 remains and the identification of 1 047 missing persons and the return of the remains to their families for dignified burials. The EU’s financial support to the CMP is also contributing more broadly to reconciliation on the island and enhances social cohesion between the Greek Cypriot and Turkish Cypriot communities. The CMP highly appreciates the European Union’s long-term commitment to CMP.”

COMMITTEE ON MISSING PERSONS



“The EU Aid Programme is vital for the Turkish Cypriot Civil Society to get stronger and become more effective in the struggle to uphold democracy, human rights and the rule of law. EU support is also fundamental to build and maintain a culture of peace and cooperation among the communities of Cyprus, which is the stepping stone towards Cyprus’ reunification.”

DERYA BEYATLI

Director of the EU-funded Human Rights Platform, an association of seven Turkish Cypriot civil society organisations

“Over the past year, the Kormakitis Centre for Cooperation has been wholeheartedly embraced by numerous multicommunal organizations across Cyprus. These organizations, dedicated to the noble causes of peace, reconciliation, and the unification of our island, have found in our Centre a welcoming home for their activities. The Kormakitis Centre for Cooperation is a pivotal venue for advancing the collective goal of a unified Cyprus. We extend our heartfelt thanks to the European Union for their unwavering support.”

ANTONIS SKOULLOS

Chairman of the Board of the Kormakitis Centre for Cooperation





E. Improving living conditions

Better infrastructure, better environment

Since its launch, the Aid Programme has financed the construction of three wastewater treatment plants in the Turkish Cypriot community, including the bicommunal wastewater treatment plant in Nicosia. The three plants can process a quantity of water equivalent to what 330 000 people generate per day. Together with 125 km of new sewerage pipes, the wastewater treatment plants protect human health and the environment. The treated water from the Morphou plant is used to irrigate citrus fruit orchards and other local crops, which has revived agriculture in the area and opened up the opportunity to trade citrus fruits across the Green Line.

263 km of new water pipes have been installed to offer to Turkish Cypriots high-quality drinking water without any traces of rust or asbestos fibres. This was done in Nicosia, Famagusta, Kyrenia, Morphou, Kioneli/Gönyeli and Lefka/Lefke.

The Aid Programme has provided the Turkish Cypriot community with 10 stations for an integrated air quality monitoring network, as well as training to measure data accurately, analyse the results, and take actions to reduce air pollution.



The infrastructure projects completed in the last five years include an extensive overhaul of the sewerage network of Famagusta and the installation of an important 13 km trunk sewerage pipe in Nicosia connecting more urban areas to the Nicosia wastewater treatment plant. Other infrastructure projects executed in this period were the extension of the wastewater treatment plant in Morphou, the rehabilitation of the Kouklia wetlands, which are a prime birdwatching space in Cyprus, and the construction of the first shelter for victims of domestic violence and their families in Nicosia.



"The replacement of the old water pipes and the construction of new ones has improved water quality significantly. In the past, we had to buy bottled water for brushing our teeth and bathing our children. Now, we can use tap water to wash vegetables and even to cook."

ALİ HACIOĞULLARI

Resident of Kioneli/Gönyeli



"Many trees have died because of the lack of water or due to the salt content in the water used for irrigation. With the water reuse project in Morphou, the use of the treated water benefits farmers and protects our aquifer."

ERHAN YENGIN

Waterworks technician at the local community of Morphou



"A longstanding problem we have had in air quality is dust. We only realised how high the dust levels were thanks to the air quality stations. Now when I drive past construction sites, I see they are enclosed and that makes me very happy. The stations have also helped us improve the air quality around power plants for the benefit of people and the environment."

TOLGA BAKI

Responsible for the air quality monitoring network

A strong private sector to drive growth

Since 2019, the Commission has awarded more than 2 400 grants to Turkish Cypriot SMEs and start-ups under grant schemes worth EUR 13 million to support innovation, competitiveness, employment, the green and digital transitions, and compliance with EU standards. This includes 1 500 small grants distributed in 2020 and 2021 to micro-businesses. The grants helped them to survive the economic repercussions of Covid-19, which threatened their existence.

Over 4 000 hours of consultancy, assessments, one-to-one mentoring, and workshops were offered to businesses and first-time entrepreneurs during 2019-2023. Among other things, this resulted in the creation of 122 new business plans.

In June 2024, a new project was launched to support private sector development in the Turkish Cypriot community and boost Green Line trade. With a budget of EUR 4 million over the next two years, the project will strengthen the competitiveness of Turkish Cypriot businesses with a focus on enabling them to trade across the Green Line and access the EU market. The scheme offers grants, technical advice, including on EU standards, training and tailor-made mentoring.





"With the EU grant we procured a [photo-voltaic] PV system. The reduced energy cost enabled us to enter a new market - packaging and selling organic wheat and flour. Implementing the PV system helped our company to increase turnover by developing a new business line and increasing the competitiveness of our existing line by reducing energy cost."

SUNSEL ENTERPRISES LTD.

"Thanks to the opportunities provided by the EU programme, we acquired a new marble polishing machine, enabling us to produce marble with different surface finishes more efficiently and to expand our product range. Initially, we started with a staff of 49, now we have 74 employees. With this support, we have not only increased our production capacity and product variety but also created additional employment opportunities."

İZMER TİCARET LTD.



"Thanks to the project, we, as a company, created employment and expanded our sales by taking advantage of the Green Line Regulation."

MIST TRADING LTD.

IV. LOOKING AHEAD

Twenty years have passed since Cyprus joined the European Union, in 2004, as a de facto divided country. The Aid Programme for the Turkish Cypriot community has helped to keep the perspective of reunification alive and contributed to stability and peace in Cyprus. In line with its objective, the Aid Programme has also improved the socio-economic conditions of the Turkish Cypriot community.

Feedback from counterparts shows that Turkish Cypriots who have had personal interaction with the EU thanks to the activities carried out under the Aid Programme – as recipients of scholarships for studies in the EU, businesspeople benefitting from grants helping them to innovate, or farmers learning about EU best practices in agriculture – are more likely to be in favour of reunification and full EU membership. Similar initiatives and projects facilitating interactions between the communities will continue and be strengthened.

Ensuring that Turkish Cypriots, who are EU citizens, can experience the benefits of being part of the EU in their everyday life and, at the same time, drawing attention towards the situation of Cypriots on the island will be essential in the coming years.

The Commission is supporting and facilitating the UN efforts to find a common ground between the two communities to resume settlement negotiations of the Cyprus issue. It is also ready to play an active role in supporting all stages of the UN-facilitated process, with all appropriate means at its disposal, to achieve a common future for all Cypriots within the EU.

