

ANNEX: 2012 Scholarship Programme for Turkish Cypriot community

1. IDENTIFICATION

Beneficiary	Turkish Cypriot community
CRIS number	PHARE/2012/23825
Legal basis	Instrument of financial support for encouraging the economic development of the Turkish Cypriot community (Council Regulation (EC) N° 389/2006 of 27.02.06 ¹)
Year	2012
Cost	EUR 800,000
Implementation	By the European Commission on a centralised basis under Article 53a of the Financial Regulation
Final dates for contracting	3 years following the date of the budgetary commitment with exception of contracts for audit and evaluation according to Art 166 (2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ²
Final date for contract execution	5 years following the date of the budgetary commitment, with exception of contracts for audit and evaluation
Final date for programme completion/execution	8 years following the date of the budgetary commitment
Sector Code	11420
Budget line(s) concerned	22.02 07 03
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2. PRIORITIES FOR EU ASSISTANCE

This Programme is part of the implementation of the Assistance Programme for the Turkish Cypriot community following the legal basis of Council Regulation 389/2006, the "Aid Regulation", which establishes an instrument of financial support for encouraging the economic development of the Turkish Cypriot community. The measures financed under the Aid Regulation focuses on the economic integration of the island and on improving contacts both between the two communities and with the European Union in order to facilitate the reunification of Cyprus. The 2012 programme will address each of the six objectives of the Aid Regulation, including that of:

¹ OJ L 65; 7.3.2006, p. 5.

² OJ L 248, of 16.9.2002, p.1.

Bringing the Turkish Cypriot community closer to the Union, through inter alia information on the European Union's political and legal order, promotion of people to people contacts and community scholarships.

The 2012 programme is a continuation of five successive years of scholarships for students and teachers, during which over 500 grants to individuals have been awarded.

2.a Priorities selected under this programme

Due to the political context, Turkish Cypriot students and teachers are not in a position to take part in certain EU educational programmes. The EU Scholarship Programme allows them to undertake similar activities. The project allows young people and professionals, by studying in EU universities and colleges, to experience life abroad and to learn more about other EU countries. This contributes to lifting of the sense of isolation.

This project will finance scholarships for the academic year 2012/13 for Turkish Cypriot students and teachers going abroad to study at universities in other EU Member States for up to one year.

2.b Sectors selected under this programme and donors' coordination

The overall programme choices for the 2012 programme (of which the scholarships are one part) were based on the objectives of the Aid Regulation and were developed from a series of stakeholder consultations and workshops. There is regular contact and discussion of ongoing and future programmes with the EU Coordination Centre (EUCC) of the Turkish Cypriot administration. Input was also taken from evaluation and audits carried out since 2009, including the European Court of Auditors' (ECA) performance audit of 2011. The views of the authorities of the Republic of Cyprus were also taken into account.

Apart from the EU assistance programme, there is little "donor" intervention in the northern part of Cyprus and there is no equivalent programme to the EU scholarships.

2.c Description of projects and/or other implementation modalities under each sector

The project will be implemented by provision of lump-sum grants.

Grants will be awarded to:

- (1) Turkish Cypriot undergraduate students who are registered in a university in the northern part of Cyprus, and have sufficient foreign language knowledge to study in the host university.
- (2) Turkish Cypriot teachers, having sufficient foreign language knowledge to study in the host university.

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. In order to ensure

continuity, the selection and award criteria similarly to previous years will be adapted to the purposes of the Call for proposals. The applicants will be evaluated and assessed according to the following steps: 1) compliance with formal/administrative requirements and eligibility criteria; 2) assessment of applicants as per the selection criteria published in the Call for Proposals regarding the applicants academic/professional background as well as the relevance of the action. The detailed selection and award criteria will be laid down in the Call for Proposals – Guidelines for Applicants.

Since Turkish Cypriot students and teachers are not in a position to take part in EU educational programmes such as *Erasmus*, the EU Scholarship Programme for Turkish Cypriots is designed to allow them to benefit in similar way. The scheme allows young people and professionals, by studying in EU universities and colleges, to experience life abroad, to gain knowledge of other EU countries and therefore contributes to lifting of the sense of isolation that the Turkish Cypriot community feels. Since 2007, five grant schemes for scholarships have been run with around 500 individual beneficiaries. The scholarship programme, although of relatively low cost, has become a flagship scheme of the assistance programme, with a high level of appreciation in the Turkish Cypriot community and a strong EU identity.

This 2012 programme is intended primarily to support students during the academic year 2012-13, but in the case that the grant funds are not fully contracted, the excess funds may be used to supplement a later call for a subsequent academic year (the Commission intends to continue support each year to Turkish Cypriots). These excess funds from 2012 (if any) will be in addition to the funds foreseen from a separate decision.

The 2012 programme will include at least one specific contract under a Framework Contract to provide assistance to grant administration. This work may include assistance with launch and assessment, answering queries, information to applicants and beneficiaries and assessment of progress reports. Experience shows that the administrative burden is continuous during the life of the grant, with questions regularly arising during the students' study periods.

The total envelope is €800,000. The grants will be for €15,000 per beneficiary for one academic year of study. This amount is to cover academic fees, the costs of living in the host country and the travel expenses (economy class) and represents no increase on the grant size given in the five previous years.

The indicative timetable and budget is, therefore:

2012-13 academic year

July 2012: launch of call for proposals (€620,000)

July 2012: launch of request for a specific contract under framework contract (€180,000)

August 2012: specific contract under framework contract signature

September-October 2012: assessment of grant applications

October onwards 2012: grant contract signatures

The objective is stated in the Aid Regulation: *Bringing the Turkish Cypriot community closer to the Union*. Results foreseen are:

- Community scholarships for about 25 Turkish Cypriot students and about 20 teachers at EU universities or equivalent institution of higher education

- Raising the level of technical and/or professional knowledge and/or skills in a specific field of the beneficiaries
- Improving Turkish Cypriots' understanding of the EU
- Establishing contacts with other EU citizens
- Increasing the knowledge of EU languages among Turkish Cypriots
- Reducing the feeling of isolation of Turkish Cypriot beneficiaries

2.d Overview of past and on going assistance (EU / IFI / Bilateral and national assistance) including lessons learned and donor coordination.

The Aid Programme, including the Scholarship Programme, was subject to independent evaluation in 2009. The evaluators noted: *The key conclusion reached is that there is a need for the EC to continue to support the economic and social development of the northern part of Cyprus in reflection of the significant development gap with the southern part of Cyprus. While the programme will have gone some way when implemented in its entirety, towards bridging this gap, further assistance will be required. The Aid programme has supported a development process and has started to create a momentum towards change and drive progress in a number of sectors. Failing to continue this process would result in the economic and social development of the northern part not only being halted but slipping further behind the southern part of Cyprus.*

It is the sixth Scholarship Programme for the Turkish Cypriot community funded under this Aid Programme. Previously:

- in 2007/08 there were 34 scholarships awarded (19 undergraduates, 15 teachers);
- in 2008/09, 122 (16 undergraduates, 23 teachers, 83 graduates);
- in 2009/10, 203 (27 undergraduates, 55 teachers, 121 graduates);
- in 2010/2011, 102 (12 undergraduates, 25 teachers and 65 graduates);
- in 2011/2012, 90 (1 undergraduate, 9 teachers and 80 graduates).

The host countries were: Belgium, Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Latvia, Lithuania, Hungary, the Netherlands, Austria, Poland, Portugal, Finland, Sweden, and the United Kingdom.

2.e Horizontal issues

The programme is intended to support the Turkish Cypriot community with opportunities for study in other parts of the EU that Turkish Cypriots would not otherwise have. There is no discrimination in the selection of applicants who qualify within each category, with equal opportunities for men and women. There is no positive discrimination favouring minority groups, since the aim is to give academic opportunities to all on an equal basis. In the call for the 2012-13 academic year, there is a free choice to the subject to be studied. A preference may be given to certain topics of particular value to the Turkish Cypriot community in future calls (as was done in the past), possibly including subjects related to environment, climate change or governance, but it has not been possible for this call to get consensus on the preferences.

2.f Assumptions and Preconditions

It is assumed that there will be a sufficient number of candidates in the two categories selected (undergraduates and teachers) and that these will be of adequate quality (there has always been substantial interest in the scholarship grant scheme in past years). It is also assumed that, for achieving full impact to the community, grant beneficiaries return the northern part of Cyprus after completing their studies.

Preconditions are that the Turkish Cypriot administration, universities and schools assist with information to the potential candidates and facilitation of the study abroad period.

There are no Financing Agreements between the Commission and the Turkish Cypriot administration. The qualifying conditions for the scheme will be described in the guidelines issued with the call.

3. BUDGET (AMOUNTS IN EUR)

3.1. Indicative budget table

Centralised management						Total EU contribution	
	Total expenditure	EU contribution		National contribution*			
	EUR (EUR	%	EUR	%	EUR	%
Grants	620,000	620,000	78			620,000	78
Support activities	180,000	180,000	22			180,000	22
TOTAL	800,000	800,000	100			800,000	100

* contribution (public and private national and/or international contribution) provided by national counterparts

3.2 Principle of co-financing applying to the projects funded under the programme

The EU contribution represents 100% of the total budget allocated to this programme. The grants are intended to support students' fees, travel and living expenses, not to cover their entire costs for the study period. The maximum grant of € 15,000 is clearly insufficient to meet the total expense and there is a significant cost to the student in addition to the grant amount. The total costs are not included in the programme, because these will vary considerably, depending on the university and chosen country of study.

In the case of grants, final grant beneficiaries shall not be required to provide co-financing (the scholarship grants to students are fixed amounts independent of actual fees and students' contributions).

4. IMPLEMENTATION ARRANGEMENTS

4.1 Implementation modalities

The programme will be implemented on a centralised basis by the European Commission in accordance with Article 53a of the Financial Regulation³ and the corresponding provisions of the Implementing Rules⁴.

4.2 General rules for procurement and grant award procedures

Procurement and grant awards shall follow the provisions of Part Two, Title IV of the Financial Regulation and Part Two, Title III of its Implementing Rules as well as the rules and procedures for service, supply and works contracts financed from the general budget of the European Union for the purposes of cooperation with third countries adopted by the Commission on 24 May 2007 (C(2007)2034).

The Commission shall also use the procedural guidelines and standard templates and models facilitating the application of the above rules provided for in the "Practical Guide to contract procedures for EU external actions" ("Practical Guide") as published on the EuropeAid website⁵ at the date of the initiation of the procurement or grant award procedure.

4.3 Environmental Impact Assessment and Nature Conservation

There are no impacts on the environment and no Environmental Impact Assessment is made.

5. MONITORING AND EVALUATION

³ Regulation 1605/2002 (OJ L 248, 16.9.2002, p.1) as amended by Regulation (EC, Euratom) No 1995/2006 (OJ L 390, 30.12.2006, p.1)

⁴ Regulation 2342/2002 (OJ L 357, 31.12.2002, p. 1) as last amended by Regulation (EC, Euratom) No 478/2007 (OJ L 111, 28.4.2007, p. 13).

⁵ current address: http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

5.1 Monitoring

The Commission may undertake any actions it deems necessary to monitor the programmes concerned.

5.2 Evaluation

The Commission services shall ensure that activities financed under Council Regulation 389/2006 will be subject to *ex-ante*, interim and/or *ex-post* evaluation. The results of *ex ante* and interim evaluations shall be taken into account in the programming and implementation cycle. The Commission may also carry out strategic evaluations.

6. AUDIT, FINANCIAL CONTROL AND ANTI-FRAUD MEASURES

The accounts and operations of all parties involved in the implementation of this programme, as well as all contracts and agreements implementing this programme, are subject to, on the one hand, the supervision and financial control by the Commission (including the European Anti-Fraud Office), which may carry out checks at its discretion, either by itself or through an outside auditor and, on the other hand, audits by the European Court of Auditors.

In order to ensure the efficient protection of the financial interests of the European Union, the Commission (including the European Anti-Fraud Office) may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (EC, Euratom) 2185/96⁶.

The controls and audits described above are applicable to all contractors, subcontractors and grant beneficiaries who have received EU funds.

7. NON SUBSTANTIAL REALLOCATION OF FUNDS

The Commission may approve amendments to the Financing Decision complying with the objective of the programme and not exceeding 15% of the financial envelope of the decision (Regulation 389/2006, Article 3.3). The Commission may approve such amendments without seeking the opinion of the Committee provided for in Article 9(1) of Council Regulation (EEC) No 3906/89.

The Committee referred to above shall be informed of any reallocation of funds.

8. LIMITED CHANGES

Limited changes in the implementation of this programme affecting essential elements listed under Article 90 of the Implementing Rules to the Financial Regulation, which are of an indicative nature⁷, may be undertaken by the authorising officer by delegation

⁶ OJ L 292; 15.11.1996; p. 2

⁷ These essential elements of an indicative nature are, for grants, the indicative amount of the call for proposals and, for procurement, the indicative number and type of contracts envisaged and the indicative time frame for launching the procurement procedures.

(AOD), or by the authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management without an amending financing decision being necessary.