

Brussels, 16 April 2007

Danuta Hübner in Cyprus to finalize negotiations on the country's strategy for the implementation of new cohesion policy in the next years

Regional policy Commissioner, Danuta Hübner, on her first official visit to Cyprus, will meet President of the Republic Tassos Papadopoulos. The Commissioner will stress the importance of Cyprus' membership in the European Union and point out that the new European cohesion policy will contribute to more growth and quality jobs in the Cypriot economy. Commissioner Hübner will also meet Minister of Finance, Michael Sarris, with whom she will discuss the government's priorities for the policy implementation in 2007-2013. In Limassol the Commissioner addresses a conference on SMEs organized by the Cyprus chamber of commerce and industry. In Nicosia and Limassol she is visiting a number of European projects in urban regeneration and transport.

The visit of Regional Policy Commissioner, Danuta Hübner, to Cyprus takes stock of implementation of the cohesion policy since 2004, and aims at finalizing preparations for the programming period 2007-2013. "During the negotiations with the government the Commission found an agreement on practically all the issues. I am convinced that in the coming days we will officially approve the Cypriot strategy for the implementation of cohesion policy" stated Commissioner Hübner.

During the meeting with President Papadopoulos Commissioner Hübner will emphasize the importance of Cyprus membership in the European Union. The Commissioner and the President will exchange views on current state of affairs in the Union and discuss the state of preparations of Cyprus for adoption of Euro. Commissioner Hübner will also underline Cyprus chance to benefit from the cohesion policy, which will increase the competitiveness of the Cypriot economy and enable it to catch up with the most performing economies in Europe.

On Monday, 16 April, in her talks with Minister Sarris, Commissioner Hübner will welcome the Cypriot authorities' efforts to improve the efficiency of cohesion policy implementation. She will also emphasize that, as in the coming years the amounts available for the investment will increase dramatically, further efforts will be necessary to ensure the creation of a good quality project pipeline.

Commissioner Hübner addresses today the conference organised by the Cyprus chamber of commerce and industry "EU Cohesion Policy 2007-2013: Opportunities for SMEs". In her speech she will focus on the role played by SMEs in Cyprus and the need to strengthen the cooperation across companies, with a view to enable smaller firms to enter European markets. The Commissioner supported the approach of the Cypriot Government to diversify the tourist sector through the creation of new tourist products, which will also help to revitalise many rural areas.

Tomorrow the Commissioner will tour the historic City where she will make a stop at Ledra Street and visit several European projects related to urban renovation and public transport. Local authorities will present to the Commissioner plans for the

Cyprus Cultural Centre, an investment likely to be co-financed by cohesion policy in the new, 2007-2013 period.

Background

The Commission has been cooperating closely with the national authorities to see that their preparation of the new Cohesion policy 2007-2013 is (a) completed in time for the new programmes to start in 2007 and (b) contributes in the most efficient way to economic and social development of the country. Each Member State drafts its strategy for the implementation of the cohesion policy in the forthcoming programming period 2007-2013, known as National Strategic Reference Framework (NSRF). This document is linked with the growth and jobs agenda through National Reform Programmes in which Member States describe specific measures to modernise their economies in line with renewed Lisbon strategy.

In drawing up their NSRFs, all Member States must take account of the Community guidelines for 2007-2013 which place particular emphasis on innovation, research and technological development, the information society, environmental protection, renewable energy sources and creating more and better jobs.

In the period 2004-2006 a total EU allocation of 103 million € is available for Cyprus under the European Regional Development Fund (28 million €), the European Social Fund (54 million €) and the Cohesion Fund (54 million €).

In the period 2007-2013 these amount will increase by around three times annually to reach a total of 612 million € over the seven year period. These funds are distributed with 280 million € for the ERDF, 119 million € for the ESF and 213 million € for the Cohesion Fund.

The Commission should approve Cypriot National Strategic Reference Framework by its decision in a few weeks. The policy mix proposed by the Cypriot Government is in line with Commission's priorities and pays due attention to the necessary investment in environment infrastructure, renewable energy, notably photovoltaic energy, and in the Research, Development and Innovation area.

Further information about European Regional Policy available at:
http://ec.europa.eu/regional_policy/index_en.htm

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