

specify how s/he seeks to exercise his/her *property* rights, namely by way of:

- a. Compensation;
 - b. *Reinstatement*; or
 - c. Sale, exchange or lease.
2. A *current user* of an *affected property* who is also a *dispossessed owner*, or a person who owns a *significant improvement* to an *affected property* may apply to receive title to such *properties*.
 3. Claims or applications for transfer of title must be filed within a period of one year, commencing on a date to be determined by the Property Board which shall be no later than one year after entry into force of the Foundation Agreement. The decision fixing the relevant date shall be published in the Official Gazettes of the federal government and the constituent states, in the most widely circulated newspaper of each constituent state and in any other such appropriate manner as determined by the Property Board.
 4. A claim or application shall be filed together with certified copies of any available evidence of the claimant's or applicant's interest in or title to the *affected property*.
 5. Holders of a part interest in or title to an *affected property* shall, wherever possible, file joint claims.
 6. A *dispossessed owner* who does not file a claim within the stipulated period and can show good cause why s/he did not or was not able to do so, is entitled to compensation.
 7. Further detailed requirements for the filing and determination of claims and applications in respect of *affected property* shall be set out in rules, regulations, procedures, forms, evidence and any other instruments adopted by the Property Board in accordance with these provisions.

Article 12 *Determination of claims and applications*

1. Upon receipt of any claim for *affected property*, the Property Board shall, following any necessary investigation and verification, determine whether the claimant has a lawful interest in the *property*.
2. Upon receipt of any application with respect to *affected property*, the Property Board shall, following any necessary investigation and verification, determine whether the applicant has a sufficient interest in the *property* under these provisions.
3. If the Property Board determines that the claimant or applicant is not the sole *dispossessed owner* or person with an interest in the *affected property*, it shall make reasonable efforts to contact the other interested parties, including the *current user*, before deciding the claim or application.

4. The Property Board shall then determine whether the claimant or applicant is entitled to exercise his/her rights in the manner requested in the claim or otherwise under these provisions.
5. In its decision, the Property Board shall, if possible, state the name and interest of any other holder of a lawful interest in the *property*. Where it has been unable to locate or contact such persons before deciding the claim or application, it shall publish its decision in an appropriate manner.
6. In its decision, the Property Board shall also indicate the steps necessary for the execution or implementation of the decision and, where appropriate, shall order that they be taken within specified time frames.
7. If the Property Board decides that a claimant or applicant has no legal interest in the claimed *affected property*, it shall reject the claim or application. At the same time, it may decide on the interests of the other parties to the proceedings and issue orders with respect to the *property* as appropriate.

8. The Property Board shall deal, in the following order of priority, with

- a. claims regarding *affected property* of *dispossessed owners* currently living in areas subject to territorial adjustment and the claims of the *current users* of those properties;**
- b. claims or applications of:**
 - i) *dispossessed owners* for compensation**
 - ii) *current users* for transfer of title to the properties they are currently using in exchange for transfer of title to the Property Board of *properties* of which they were dispossessed, and**
 - iii) persons who own *significant improvements* to *affected properties* in exchange for payment of the current value of the *properties* without the improvement;**
- c. claims of *dispossessed owners* of *affected properties* in areas subject to territorial adjustment**
- d. any other claims and applications.**

In doing so, it shall further prioritise decisions which shall have a positive economic impact.

Article 13 Decisions on reinstatement

1. Upon determination that a *property* is eligible to be reinstated, the Property Board shall inform the claimant of its decision. It shall hold the case as pending until all claims for *reinstatement* have been reviewed, in order to determine the priority for *reinstatement* in accordance with Article 16 of Annex VII.

2. The Property Board shall endeavour to determine the eligibility of all claims for *reinstatement* before issuing final decisions on *reinstatement*. If the determination of eligibility in some cases is delayed, because of exceptional circumstances, the Property Board may issue final decisions on *reinstatement* as soon as it has determined the eligibility of at least 90% of the claims for *reinstatement*. *Reinstatement* shall only be granted in the delayed cases if the agreed levels for *reinstatement* have not yet been reached, irrespective of the priority that the claimant might otherwise have had.
3. The Property Board shall issue final decisions on *reinstatement* of *properties* that are not subject to the agreed levels of *reinstatement* in Article 16 of Annex VII as soon as it has determined their eligibility for *reinstatement*.
4. Upon issuing a final decision on *reinstatement*, the Property Board shall inform the *current user* of the *affected property* of the decision, of his/her obligation to vacate the *affected property* and of his/her rights to *alternative accommodation*; it may also inform the authorities of the relevant constituent state responsible for enforcement and implementation of the decision.
5. *Reinstatement* shall only occur after the *current user* has been provided with *alternative accommodation* or the final deadline for vacating the *property* as determined by the Property Board in accordance with Attachment 3 has expired, whichever is the sooner.

Section D: Assistance with sale, exchange or lease

Article 14 Assistance with sale, exchange or lease

1. A *dispossessed owner* may request the Property Board for assistance in connection with:
 - a. Sale of an interest in *affected property*;
 - b. Exchange of *affected property* for another *property* of similar value in the constituent state from where he/she hails;
 - c. Purchase of an interest in *affected property*; or
 - d. The leasing of *affected property*.
2. A *current user* or other person may request the Property Board for assistance in connection with the purchase, exchange or acquisition of a leasehold interest in a *property*, which, if available, could enable him/her to vacate the *affected property*.
3. The Property Board shall maintain a register of interested *dispossessed owners*, *current users* and others who wish to engage in sale, exchange or lease transactions and keep a record of such transactions.

4. Upon the request of a *dispossessed owner*, *current user*, or other person wishing to engage in a sale, exchange or lease transaction, the Property Board may:
 - a. Offer basic advice and assistance on options and implications of sale, exchange or lease transactions;
 - b. Provide services through mediation to facilitate sale, exchange or lease transactions between interested parties, on an anonymous or open disclosure basis, as preferred by the parties; or
 - c. Provide information about potential sale, exchange or lease counterparts from its sale, exchange and lease register, to other bona fide interested parties, in cases where the relevant person has given consent to disclosure of such information.

Article 15 *Standard form lease*

The Property Board shall provide on request a standard form of lease agreement.

Article 16 *Sale, exchange and lease: other assistance*

1. The Property Board shall refer any interested party on request to a list of real estate agents of a high professional standard, who are acting in one or both constituent states and who can assist persons seeking advice regarding sale, exchange or lease transactions in one or both constituent states.
2. Subject to these provisions, the Property Board's involvement in a sale, exchange or lease transaction shall be limited to conveying information between the counterparts to the potential transaction. The Property Board shall not be responsible for negotiation or completion of contractual arrangements, nor any resulting dispute or loss.

Section E: Compensation fund and bonds

Article 17 *Compensation Fund*

A Compensation Fund shall be established in the Central Bank of Cyprus and administered by the Property Board. The Fund shall receive all proceeds from the use or disposal of *property* that has been transferred to the Property Board. In addition, the federal government shall provide **a first contribution of 100 million Cyprus pounds towards the initial capital of the Fund within 18 months of entry into force of the Foundation Agreement, and shall seek a matching contribution from international donors. If the Fund would otherwise be unable to meet its obligations, the federal**

government shall, upon request of the Property Board, make further contributions.

Article 18 Use of compensation bonds⁴⁴

1. The Property Board shall issue bonds drawn on the Compensation Fund, known as 'compensation bonds'.
2. Compensation bonds shall bear interest **at a rate per annum equal to or greater than that applying to federal government bonds of equal maturation periods at the time of issuance of the bonds.**
3. Compensation bonds may be used by holders for the following purposes:
 - a. To purchase *affected property* from the holdings of the Property Board at *current value*; or
 - b. To procure the payment by the Property Board of a deposit for purchase of *alternative accommodation* on the open market; or
 - c. For sale to any person, who thereby acquires all entitlements of the initial holder.
4. Compensation bonds and interest thereon shall be guaranteed by the federal government.
5. **Compensation bonds shall mature 10 or 15 years after issuance and shall be redeemable for cash from the Compensation Fund. A claimant shall receive 10-year bonds for two-thirds of the compensation value and 15-year bonds for the remaining third, unless s/he elects to receive a larger share in 15-year bonds.**
6. **After the final maturity date on issued bonds,** the Compensation Fund shall be wound up and the federal government shall receive any surplus remaining in the Fund or cover its deficit, as applicable. Proceeds of any subsequent sale of *affected property* from the holdings of the Property Board shall go directly to the federal government, which shall be obliged to pay any compensation which may be awarded by the Property Board after the winding-up of the Compensation Fund.

⁴⁴ **Observation:** Expert banking advice is needed on the question of the issuing, value and use of compensation bonds

ATTACHMENT 3: MEASURES IN FAVOUR OF CURRENT USERS

Section A: Extension of deadlines for vacating affected property

Article 1 *Property occupied by current users with sufficient financial means*

1. A *current user* of a *property* designated for *reinstatement*, with *sufficient financial means*, may apply to the Property Board for an extension to enable him/her to continue to *use the property for his/her own purposes* for up to three years after the Property Board's decision.
2. An application for an extension shall be granted by the Property Board unless and up to the time when it is found that the *current user* is not *using the property for his/her own purposes*, or that the *current user* has immediate access to *alternative accommodation*.
3. The Property Board may extend the time limit under this Article in cases of urgent humanitarian need, as determined by the Property Board.
4. The *current user* shall pay *market rent* to the Property Board for the period of continued use of the *affected property* from the date of the Property Board's decision on eligibility for *reinstatement*.
5. At the end of the period fixed by the Property Board, the *current user* shall vacate the *affected property*.

Article 2 *Property occupied by current users without sufficient financial means*

1. A *current user* of a *property* designated for *reinstatement*, without *sufficient financial means*, who is a Cypriot citizen and is *using the property for his/her own purposes*, shall not be required to vacate the *property* until *alternative accommodation* is made available for them or until they are able, including through the provision of preferential loans or other assistance, to buy or lease on the market a *property* which meets the standard of *alternative accommodation*.
2. Such *current users* may apply to the Property Board for:
 - a. Assistance to purchase or lease *alternative accommodation*, in the form of preferential loans under these provisions; or
 - b. In cases of urgent humanitarian need and where not eligible for preferential loans, the allocation of low-cost or cost-free *alternative accommodation* from the holdings of the Property Board. The

Property Board shall grant such applications to persons meeting its criteria, provided that *alternative accommodation* is available in its holdings.

3. *Current users of properties* designated for *reinstatement*, without *sufficient financial means*, who are not citizens of Cyprus but enjoy permanent residence and are *using the property for their own purposes*, may apply for social housing or other housing assistance, or for financial assistance from the constituent state in which they enjoy permanent residence. Such *current users* shall not be required to vacate the *property* until such housing or financial assistance is available, up to a maximum of two years after the Property Board's decision on eligibility for *reinstatement*.
4. The Property Board shall charge rent to any *current user* without *sufficient financial means*, up to the maximum amount possible based on his/her income and wealth.

Article 3 *Payment of rent to dispossessed owner up to reinstatement*

The Property Board shall pay *market rent* to the *dispossessed owner*, effective from the date of the decision of the Property Board that the *property* is eligible for *reinstatement* up to the date on which *reinstatement* occurs.

Section B: Preferential loans

Article 4 *Preferential loans*

1. The Property Board shall oversee and administer a preferential loans scheme with the assistance of international and local banks, the federal government, the constituent states and other donors. The federal government shall provide funds from its budget to support the scheme.
2. Under this scheme, preferential loans shall be made available on favourable terms for *dispossessed owners*, *current users of affected property* and owners of *significant improvements to affected property* who are Cypriot citizens and who are without *sufficient financial means*, in order to facilitate the purchase, lease or reconstruction of *property* (including the purchase of significantly improved *property*) or make payments required under these provisions.
3. Loans under this scheme will be made available to people who meet the criteria on condition that they agree to a 20 year moratorium on sale of any *property* which they purchased or reconstructed or for which they received title after making a payment to the Property Board with preferential loan funds. This moratorium period may be shortened or waived with the authorisation of the Property Board.

Section C: Right of first refusal

Article 5 Right of first refusal for current user and others in sales of affected property

1. For a transitional period of 20 years after entry into force of the Foundation Agreement, any sale of an *affected property* to a person who has not enjoyed permanent residence for at least three years in the constituent state in which such *property* is located, is subject to a right of first refusal by a *current user*, who is a Cypriot citizen, at the proposed contract price. Such right shall apply:
 - a. For as long as the *current user* continues to use such *property*, and
 - b. For five years thereafter, if the *current user* has vacated it to allow *reinstatement* of the *dispossessed owner*.
2. If the *current user* does not exercise the right of first refusal under the previous paragraph, any other person hailing from the constituent state in which the relevant *property* is located shall have a secondary right of first refusal, at the contract price.
3. Rights of first refusal under this Article may be exercised within 45 days after the *dispossessed owner* signs a sales contract with a potential purchaser, and at the same price as stated in any such contract.
4. Any dispute regarding rights of first refusal shall be referred to the Property Board. The constituent states shall enact harmonised legislation as required to regulate and ensure enforcement of contracts concluded under these provisions for rights of first refusal, and otherwise between *current users* and persons hailing from different constituent states.

ATTACHMENT 4: PROPERTY LOCATED IN AREAS SUBJECT TO TERRITORIAL ADJUSTEMENT

Article 1 *Application of these provisions to property in areas subject to territorial adjustment*

The Articles in this Attachment shall prevail over the other provisions of Annex VII and its other attachments in relation to *affected property* and other *property* in areas subject to territorial adjustment. Where there are no specific provisions in this Attachment, the other provisions of Annex VII and its other attachments shall apply.

Article 2 *Reinstatement of dispossessed owners*

1. Subject to the modalities and conditions established in this Attachment, any *dispossessed owner* of a *property* in areas subject to territorial adjustment shall be entitled to *reinstatement*.⁴⁵
2. The Property Board shall issue final decisions on *reinstatement* of *properties* located in areas subject to territorial adjustment, as soon as it has determined that *property* is eligible for *reinstatement* and shall order that such *reinstatement* take place as soon as the *current user* has been relocated, but no later than three years after entry into force of the Foundation Agreement.
3. The general moratorium and agreed maximum levels on *reinstatement* under Annex VII shall not apply to areas subject to territorial adjustment nor shall provisions permitting transfer of *properties* to a *current user* or a subsequent purchaser.
4. The Property Board shall deal with claims regarding *affected property* of *dispossessed owners* currently living in areas subject to territorial adjustment, the claims of the *current users* of those properties and the claims of *dispossessed owners* of *affected properties* in areas subject to territorial adjustment, in that order of priority.

Article 3 *Improved properties*

1. The *dispossessed owner* of any improved *property* shall pay the *market value* of any improvement worth more than 10% of the *value* of the *property* in its *original state* to Property Board. The owner of the

⁴⁵ **Observation:** It is understood that a *dispossessed owner* of an *affected property* in an area subject to territorial adjustment whose property can be reinstated shall not have the option of claiming compensation.

improvement is entitled to seek compensation from the Property Board for its *market value*.

2. If the *dispossessed owner* satisfies the Property Board that an improvement worth less than the *value* of the *property* in its *original state* is inappropriate for his/her intended use of the *property* which is similar to the use prior to dispossession, the *dispossessed owner* shall not be required to pay for the improvement. The Property Board may recover any compensation paid to the improver if it subsequently finds that the *dispossessed owner* makes use of the improvement.
3. Where the *market value* of the improvement is greater than the *value* of the *property* in its *original state* and the *dispossessed owner* is not prepared to pay for it, the owner of the improvement may apply to receive title to the *property* in exchange for payment of the *value* of the *property* in its *original state*. The *dispossessed owner* shall retain a right of first refusal for a period of 20 years after entry into force of the Foundation Agreement, for any contract for sale, exchange or long-term lease of the *property*, at the proposed contract price.
4. **Where the *market value* of the improvement is greater than the *value* of the *property* in its *original state* and both the *dispossessed owner* and the owner of the significant improvement seek title to the property in exchange for the value of the significant improvement or the value of the affected property without the improvement, respectively, the Property Board shall facilitate an amicable solution between the dispossessed owner and the owner of the *significant improvement* regarding title and/or future use of the improvement. If no amicable solution can be reached, the Property Board shall decide whether immediately to grant reinstatement to the dispossessed owner or to first grant a lease of one to twenty years to the owner of the significant improvement, as appropriate in the particular circumstances of the case⁴⁶.**

Article 4 *Owners of property in areas subject to territorial adjustment who wish to leave*

An owner of *property* in an area subject to territorial adjustment who vacates such *property* after entry into force of the Foundation Agreement may claim compensation from the Property Board for such *property* at *current value* in exchange for his/her title to such *property*, provided s/he can produce evidence of ownership before 1974 or of bona fide transfer from the 1974 owner.

⁴⁶ **Observation:** The use of the *significant improvement* for income generation shall be an important consideration in such a decision.

Article 5 *Current users of property in areas subject to territorial adjustment*

1. A *current user of property* in an area subject to territorial adjustment who is a Cypriot citizen may choose to:
 - a. Remain in that area and purchase *property* there;
 - b. Receive *alternative accommodation* in that area, if entitled under these provisions (see Attachment 3);
 - c. Claim *reinstatement* of his/her own *affected property*; or
 - d. Be relocated in the other constituent state and purchase *property* or receive *alternative accommodation* there, if entitled under these provisions (see Annex VI).
2. A *current user* who is not a Cypriot citizen may seek housing or financial assistance from the constituent state in which s/he enjoys permanent residence or apply for assistance according to Annex VI.

ANNEX VIII: RECONCILIATION COMMISSION

Article 1 *Establishment*

1. There shall be an independent, impartial Reconciliation Commission.
2. The authorities of the federal government and the constituent states shall render the Commission full cooperation and shall issue instructions to that effect to all concerned.

Article 2 *Aims*

With the objective of promoting understanding, tolerance and mutual respect between Greek Cypriots and Turkish Cypriots, the Reconciliation Commission shall, *inter alia*:

- a. Promote a dispassionate dialogue between Greek Cypriots and Turkish Cypriots regarding the past, by addressing, *inter alia*, historical perspectives, experiences, and memories;
- b. Prepare a comprehensive report on the history of the Cyprus Problem as experienced and interpreted by Greek Cypriots and Turkish Cypriots;
- c. Make specific recommendations for action by the federal government and the constituent states aimed at promoting reconciliation, including guidelines for publications and school textbooks so as to promote mutual understanding of different perspectives on the past;
- d. Make recommendations for the implementation of the requirement in the Constitution for the teaching of the official languages to all secondary school students; and
- e. Make recommendations on guidelines for the observance of secular public holidays by the constituent states.

Article 3 *Powers*

1. In furtherance of these aims the Reconciliation Commission may, among other things:
 - a. Convene public or private hearings and set up research groups or committees to discuss and/or inquire into questions, facts, events and time periods related to its work;
 - b. Receive information from varied sources, from parties, governments or individuals inside or outside Cyprus;

- c. Request a person attending a hearing of the Commission to give their statement or answer under oath or affirmation, and administer such oath or affirmation;
 - d. Consult experts in relevant fields;
 - e. Request and receive prompt, full and unhindered access to any and all records, archives or information;
 - f. Administer and determine the final status and management arrangements for monuments and memorial sites connected to the events of or between 1963 and 1974, that are located in areas subject to territorial adjustment;
 - g. Prepare and publish interim reports, findings and recommendations;
 - h. Adopt and publish rules, regulations and procedures required for the performance of its functions; and
 - i. Perform other tasks which may be incidental or related to the performance of its functions.
2. The Commission shall have no prosecutorial or other criminal legal function or powers.
 3. The Commission may decide to protect the confidentiality of its sources and proceedings.
 4. The work, proceedings, reports and recommendations of the Commission shall be without prejudice to the work of other existing bodies or committees, including the Committee on Missing Persons in Cyprus.

Article 4 Composition

1. The Reconciliation Commission shall be composed of **seven** men and women, including at least one non-Cypriot member, committed to reconciliation in Cyprus and possessing appropriate integrity, credibility and expertise. The Cypriot members shall hail in equal numbers from each constituent state.
2. The Secretary-General is invited to appoint the members of the Commission, after consultation with the federal government and the constituent states and the public, and to appoint any replacements in the same way.
3. The Commission shall be assisted by a group of qualified staff.

Article 5 Duration

1. The process of consultation for appointment of the members of the Reconciliation Commission shall commence no later than **90** days after entry into force of the Foundation Agreement. The Commission

members shall be appointed within a further 60 days and be inaugurated within a further two weeks.

2. Unless the Secretary-General, in consultation with the federal government, the constituent states and the members of the Commission, decides to grant an extension of up to **one year**, the Commission shall submit its final report on its conclusions and recommendations no later than **three years after the constitution of the Commission**.

Article 6 Costs

The costs of establishing and running the Reconciliation Commission shall be met by the federal government, which may request contributions from the guarantor powers and other international donors.

Article 7 Remuneration

The remuneration of the non-Cypriot members of the Reconciliation Commission shall be at the level of the salary of the non-Cypriot members of the Property Board.

Article 8 Recommendations and reports

1. The Reconciliation Commission shall submit its reports and recommendations to the Secretary-General of the United Nations, the federal government and the constituent states.
2. The final report and all recommendations by the Reconciliation Commission shall be given wide dissemination by the constituent states. The final report shall be published in English, Greek and Turkish. The findings of the final report shall be reflected in relevant school textbooks.

Article 9 Follow-Up Procedures

1. After the submission of the Commission's final report, a follow-up committee, appointed **by the Presidential Council after consultation with the constituent states**, shall monitor the implementation of the Commission's recommendations.
2. The authorities of the federal government and each constituent state shall be required to submit reports every 120 days to the committee on the implementation of recommendations. Such reports shall explain the reasons for failure to implement specific recommendations.

ANNEX IX: COMING INTO BEING OF THE NEW STATE OF AFFAIRS

Article 1 *Entry into force of the Foundation Agreement*

The Foundation Agreement shall enter into force, and bring into being a new state of affairs, through its approval by separate simultaneous referenda asking the following question:

"Do you approve the Foundation Agreement with all its Annexes, as well as the constitution of the Greek Cypriot/Turkish Cypriot State and the provisions as to the laws to be in force, to bring into being a new state of affairs in which Cyprus joins the European Union united?"

Yes ☐

No ☐"

The time of entry into force shall be 00:00 hours the day after confirmation by the Secretary-General of such approval.

Article 2 *Flag-raising ceremonies*

Upon entry into force of the Foundation Agreement, there shall be ceremonies throughout the island at which all flags other than those prescribed in the Constitution shall be lowered, the flags of the United Cyprus Republic and of the constituent states shall be raised in accordance with the Constitution of the United Cyprus Republic and relevant legislation, and the anthems of Cyprus and of the constituent states shall be played.

Article 3 *Treaty between Cyprus, Greece, Turkey and the United Kingdom on Matters related to the new state of affairs in Cyprus*

Upon entry into force of the Foundation Agreement, the Co-Presidents of the United Cyprus Republic shall, on invitation and in the presence of the Secretary-General of the United Nations (or his representative), sign the attached Treaty with Greece, Turkey and the United Kingdom, which shall be registered as an international treaty in accordance with Article 102 of the Charter of the United Nations.

Article 4 *The United Nations*

Upon entry into force of the Foundation Agreement, the Co-Presidents shall inform the United Nations that henceforth the membership rights and obligations of Cyprus in the United Nations shall be exercised in accordance with the new state of affairs. The agreed flag of United Cyprus Republic shall be raised at United Nations Headquarters.

Article 5 *The Council of Europe*

Upon entry into force of the Foundation Agreement, the Co-Presidents shall inform the Council of Europe that henceforth the membership rights and obligations of Cyprus in the Council of Europe shall be exercised in accordance with the new state of affairs and shall request the Parliamentary Assembly to endorse the Foundation Agreement.

Article 6 *The European Union*

Upon entry into force of the Foundation Agreement, the Co-Presidents shall inform the European Union that a united Cyprus wishes to accede to the European Union in accordance with the Conclusions of the Copenhagen European Council of 12 and 13 December 2002 and shall request the European Union to endorse the Foundation Agreement, to incorporate the attached protocol in the Treaty of Accession of Cyprus to the European Union in order to accommodate the terms of the settlement, and to include the following paragraph in the conclusions of the Thessaloniki European Council:

"The European Union undertakes to adopt special measures, including financial aid, to contribute to the alignment of Turkish Cypriot legislation to the *acquis communautaire*, to the enhancement of administrative capacity in the Turkish Cypriot State, and to the narrowing of economic disparities within Cyprus."

**ATTACHMENT 1: TREATY BETWEEN CYPRUS, GREECE, TURKEY AND
THE UNITED KINGDOM ON MATTERS RELATED TO THE
NEW STATE OF AFFAIRS IN CYPRUS**

*The United Cyprus Republic, the Hellenic Republic, the Republic of Turkey
and the United Kingdom of Great Britain and Northern Ireland,*

- i. Welcoming the comprehensive settlement of the Cyprus problem by
the approval of the Foundation Agreement through separate
referenda by the Greek Cypriots and the Turkish Cypriots, and the
decision for Cyprus to accede to the European Union and*
- ii. Desiring to contribute to a peaceful and harmonious future for
Cyprus and for Cyprus to be a bridge of friendship between Greece
and Turkey within a peaceful environment in the Eastern
Mediterranean*

Adopt the following provisions:

Article 1 *Approval of Foundation Agreement*

The appended Foundation Agreement is herewith approved and agreed and shall be considered an integral part of this Treaty.

Article 2 *Monitoring Committee*

1. The parties agree on the creation of a Monitoring Committee composed of one representative of each guarantor power, two representatives of the federal government (one hailing from each constituent state), one representative of each constituent state and, pursuant to a decision of the United Nations Security Council, one representative of the United Nations who shall chair the committee.
2. The Monitoring Committee shall monitor the implementation of the Foundation Agreement, and may make recommendations regarding any development which may endanger its implementation.
3. The parties commit to each other that they shall cooperate with the United Nations operation in Cyprus.

Article 3 *Additional Protocol to the Treaty of Establishment*

The appended Additional Protocol to the Treaty of Establishment is herewith approved, and shall enter into force on the day following that on which the United Kingdom has notified the other parties of the completion of its constitutional requirements for the implementation of the Protocol.

Article 4 *Additional Protocol to the Treaty of Guarantee*

The appended Additional Protocol to the Treaty of Guarantee is herewith approved and agreed, and shall enter into force together with this Treaty.

Article 5 *Additional Protocol to the Treaty of Alliance*

The appended Additional Protocol to the Treaty of Alliance is herewith approved and agreed by the parties concerned, and shall enter into force for them upon signature together with this Treaty.

Article 6 *Transitional Security Arrangements*

The appended Transitional Security Arrangements are herewith approved and agreed by the parties concerned, and shall enter into force for them upon signature together with this Treaty.

Article 7 *Entry into force*

1. This treaty shall enter into force upon signature.
2. The parties shall proceed as soon as possible to the registration of this Treaty with the Secretariat of the United Nations, in accordance with Article 102 of the Charter of the United Nations.

Done at [] this [] day of [] 2003 in four copies in the English language.

Signature

Signature

Signature

Signature

Signature

United Cyprus
Republic

Hellenic Republic

Republic of
Turkey

United Kingdom
of Great Britain
and Northern
Ireland

Appendix I. FOUNDATION AGREEMENT

Appendix II. ADDITIONAL PROTOCOL TO THE TREATY OF ESTABLISHMENT

The United Kingdom of Great Britain and Northern Ireland, Cyprus, Greece and Turkey

Desiring to make provision to give effect to the intention of the Government of the United Kingdom to relinquish sovereignty over parts of the Akrotiri Sovereign Base Area and Dhekelia Sovereign Base Area,

Have agreed as follows

Article 1

The areas in respect of which the United Kingdom relinquishes its sovereignty are described in Part 1 of the Codicil to this Protocol. Those areas are in this Protocol referred to as the relinquished areas.

Article 2

1. All international obligations and responsibilities of the United Kingdom in relation to the relinquished areas shall henceforth, insofar as they may be held to have application to the Akrotiri Sovereign Base Area or the Dhekelia Sovereign Base Area, be assumed by the United Cyprus Republic.
2. All international rights and benefits heretofore enjoyed by the United Kingdom by virtue of their application to the relinquished areas shall henceforth be enjoyed by the United Cyprus Republic.

Article 3

All legal liabilities and obligations incurred by or on behalf of the Administration of the Sovereign Base Areas or the Government of the United Kingdom in relation to the relinquished areas and subsisting immediately before the date of entry into force of this Protocol shall have the effect as from that date as if they were incurred by or on behalf of Cyprus.

Article 4

Immovable property in the relinquished areas held by the Government of the United Kingdom or the Administration of the Sovereign Base Areas shall be subject to the provisions of Annex B, Part III of the Treaty of Establishment.

Article 5

1. Section 3 of Annex A to the Treaty of Establishment shall be replaced by the following:

"Section 3

Cyprus shall not claim, as part of its territorial sea, waters lying between the lines described in the report referred to in the Additional Protocol to this Treaty."

2. The lines referred to in Section 3, as amended, of the Treaty of Establishment, which delimit the territorial seas between Cyprus and the Sovereign Base Areas, shall be set out in a report to be prepared by a duly qualified person to be designated by the Government of the United Kingdom. S/he shall begin the work not later than one month after the entry into force of this Protocol and complete it as soon as possible and in any event within a period of nine months. The designated person may appoint technical advisers to assist him/her. S/he shall report to the appropriate authorities of the United Kingdom and Cyprus upon completion of the work.

Article 6

The Sotira locality, in which minor routine training is permitted pursuant to paragraph 2 of Section 3 of Part IV of Annex B to the Treaty of Establishment, shall be extended south of Sotira, Sterakovou and Paramali, the additional area comprising land north of the Limassol-Paphos highway. The new boundaries of the Sotira locality shall be defined and marked on maps by the person to be designated by the Government of the United Kingdom under Section 2 of the Codicil to this Protocol.

Article 7

1. The United Kingdom and Cyprus may conclude an Exchange of Notes with respect to:
 - a. arrangements concerning rights of access to power cables and pipelines by the Administration of the Sovereign Base Areas or a United Kingdom authority; and
 - b. arrangements with regard to the nationality of persons affected by the relinquishment of the relinquished areas.

Article 8

Any dispute about the interpretation or application of this Protocol shall be resolved by consultations and shall not be referred to any international tribunal or third party for settlement.

Article 9

This Protocol shall enter into force on the day following that on which the United Kingdom notifies the other parties that it has completed its constitutional requirements for the implementation of this Protocol.

In witness whereof the undersigned, being duly authorised thereto, have signed this Protocol.

Done at [] this [] day of [] 2003 in four copies in the English language.

Signature

United Kingdom
of Great Britain
and Northern
Ireland

Signature

Signature

United Cyprus
Republic

Signature

Hellenic Republic

Signature

Republic of
Turkey

Codicil

Article 1

The relinquished areas shall comprise the areas which are indicated in blue and red on Map A and Map B which are an integral part of this Codicil.⁴⁷

The Akrotiri Sovereign Base Area and the Dhekelia Sovereign Base Area shall comprise the two areas which are indicated in yellow on Map A and Map B attached to this Codicil. The references to those Areas in the Treaty of Establishment and the accompanying Exchanges of Notes and other documents shall be read accordingly.

Article 2

The land boundaries of the Akrotiri Sovereign Base Area and of the Dhekelia Sovereign Base Area shall be marked clearly and effectively on the ground by a duly qualified person to be designated by the Government of the United Kingdom. S/he shall begin the work not later than one month after the entry into force of this Protocol and complete it as soon as possible and in any event within a period of nine months. The designated person may appoint technical advisers to assist him/her. S/he shall report to the relevant authorities in the United Kingdom and Cyprus upon completion of the work.

⁴⁷ **Observation:** The allocation of the relinquished areas to each of the two constituent states is indicated on the maps attached to the Constitution.

[map]

[map]

Appendix III. ADDITIONAL PROTOCOL TO THE TREATY OF GUARANTEE

Cyprus, Greece, Turkey and the United Kingdom of Great Britain and Northern Ireland have agreed as follows:

Article 1

1. The Treaty of Guarantee shall apply *mutatis mutandis* to the new state of affairs established in the Foundation Agreement and the Constitution of the United Cyprus Republic, thereby covering, in addition to the independence, territorial integrity, security and constitutional order of the United Cyprus Republic, the territorial integrity, security and constitutional order of its constituent states.
2. "Constitutional order" shall mean the Constitution of the United Cyprus Republic and, as the case may be, the Constitution of each constituent state, including any amendments to any of them in accordance with the provisions for amendment laid down in the relevant constitution.

Article 2

This Protocol shall enter into force upon signature.

Done at [] this [] day of [] 2003 in four copies in the English language.

Signature

Signature

Signature

Signature

Signature

United Cyprus
Republic

Hellenic Republic

Republic of
Turkey

United Kingdom
of Great Britain
and Northern
Ireland

Appendix IV. ADDITIONAL PROTOCOL TO THE TREATY OF ALLIANCE

Cyprus, Greece and Turkey

- i. *Bearing in mind that in accordance with the Foundation Agreement and its Constitution, Cyprus shall be demilitarised*
- ii. *Reaffirming their pledge to resist any attack or aggression against the independence or the territorial integrity of Cyprus*

Have agreed as follows

Article 1

The Treaty of Alliance shall apply and operate *mutatis mutandis* in accordance with the new state of affairs established in the Foundation Agreement and the Constitution of the United Cyprus Republic, taking into account in particular the demilitarisation of Cyprus.

Article 2

There shall be no Tripartite Headquarters. The provisions of the Treaty of Alliance shall apply *mutatis mutandis* to the commanders of the Greek and Turkish contingents, who shall consult and cooperate in the performance of their functions pursuant to the Treaty.

Article 3

1. The Greek and Turkish contingents, each not exceeding **6,000** all ranks shall be permitted to be stationed under the Treaty of Alliance in the Greek Cypriot State and the Turkish Cypriot State respectively. The composition, equipment, locations and activities of the Greek and Turkish contingents shall be **in accordance with the Codicil** to this Additional Protocol.
2. **Upon accession of Turkey to the European Union, all Greek and Turkish troops shall be withdrawn from Cyprus unless otherwise agreed. This will in no way undermine the provisions of the Treaty of Alliance and its Additional Protocols, and the rights and responsibilities conferred thereby.**

Article 4

Cyprus, Greece and Turkey shall review this Protocol and, in particular, the permissible number of troops to be stationed under the Treaty of Alliance no later than 1 June 2010.

Article 5

This Protocol shall enter into force upon signature and shall have precedence over other provisions of the Treaty of Alliance.

Done at [] this [] day of [] 2003 in four copies in the English language.

Signature

Signature

Signature

Signature

United Cyprus Republic

Hellenic Republic

Republic of Turkey

Codicil: Composition, equipment, locations and activities of Greek and Turkish contingents

Article 1 Composition

1. Each contingent may be structured to include the following capabilities within the permissible numbers and the overall limitations placed on weapons and equipment: a headquarters element, armour, reconnaissance, infantry, field engineers, artillery, signals, aviation, air defence, logistic, administrative and medical support.
2. In the interests of transparency and mutual confidence, Greece and Turkey shall inform Cyprus, each other and the United Nations of the detailed organisation, structure, weapons and equipment of their contingents.

Article 2 Permissible weapon and equipment holdings

The contingents shall have equivalent weapons and equipment commensurate with the type and number of units. Each contingent may deploy only the following weapons and equipment up to the maximum limits stated below notably concerning armoured vehicles, heavy weapons and artillery systems and offensive weapons such as attack helicopters:

Type of Weapon/ Equipment	Maximum number	Remarks
Battle tanks (medium)	50	Up to 50 tonnes
Infantry fighting vehicles (with main gun up to 25 mm)	180	Includes armoured personnel carriers
Towed artillery pieces (up to 155 mm caliber)	18	
Air defence missiles (short range up to 7000m)	18	
Transport helicopters	6	Utility type, unarmed – up to 12 passengers
Light helicopters	4	Light observation/liaison type, unarmed – up to 6 passengers
Light armoured vehicles	17	Reconnaissance type – main gun up to 90 mm
Air defence cannons (up to 45 mm caliber)	16	

Article 3 Activities

The contingents shall be restricted to typical peacetime activities for formed military units, mainly encompassing training within the compounds and military quarters, maintenance of equipment and material, ceremonies and parades and training in designated training fields.

Article 4 Location of Designated facilities and training fields

1. Both Greece and Turkey shall designate no more than six delineated military facilities, (headquarters or barracks⁴⁸ covering a total area of no more than [insert figure in decars]) in which troops and equipment shall be based, and no more than three training fields⁴⁹ (covering a total area of no more than [insert figure in hectares]), in consultation with the federal government of the United Cyprus Republic and the relevant constituent state.
2. The agreed designated military facilities and training fields shall in any case not be in areas which prior to entry into force of the Foundation Agreement were within the buffer zone, or in areas of the Greek Cypriot State which, pursuant to the Foundation Agreement, are or have been subject to territorial adjustment, or in the area of the Turkish Cypriot State south of the highway connecting north Nicosia and Famagusta, or within 1000 metres of the boundary between the constituent states.
3. Within three months of entry into force of the Foundation Agreement, Greece and Turkey shall inform Cyprus, each other, and the United Nations of the precise location and size of their respective training fields and designated military facilities, as well as the number of troops to be deployed in each facility. They shall further inform Cyprus, each other, and the United Nations, in advance, of any changes to the deployment thereafter.
4. Without prejudice to the Treaty of Establishment, any existing military facilities not designated in accordance with this Article shall be dismantled or converted for exclusive civilian use, unless otherwise agreed between Cyprus, Greece and Turkey or made available to the United Nations' peacekeeping operation.

Facilities

The designated military facilities in which troops and equipment shall be based are the following:

[.....]

⁴⁸ **Observation:** Barracks are areas for the housing of troops and equipment. Open areas adjacent to barracks shall be counted as training areas.

⁴⁹ **Observation:** Training fields refer to all ranges (including small arms, impact areas and outside gun positions, and field training areas), whether permanent or temporary.

Training fields

The designated training fields for each contingent are the following:

[.....]

Article 5 Movement

The contingents shall move troops in the constituent state in which they are located by the most direct route between points of embarkation, garrisons and training areas and shall not approach the boundary between the constituent states, or enter areas which prior to entry into force of the Foundation Agreement were within the buffer zone, or the areas of the Greek Cypriot State which, pursuant to the Foundation Agreement, are or have been subject to territorial adjustment, or the area of the Turkish Cypriot State south of the highway connecting north Nicosia and Famagusta, unless the existing road and port infrastructure necessitates otherwise.

Article 6 Notice

In the interest of transparency and mutual confidence, the contingents shall inform each other and the United Nations in writing at least 48 hours in advance of the timing, location and purpose of any significant ground, air or maritime movement of troops, including for field training. A movement of troops shall be defined as more than three military transport vehicles with a capacity of thirty passengers or more in each vehicle. This shall apply to movements of four or more military vehicles, three or more military aircraft flying together in a single movement, one or more military vessels, or 100 or more troops for whatever reason by any means of transportation. When the purpose of the movement is for field exercises, the notice shall be given at least 72 hours in advance and shall include other relevant information about the main activities and purpose of the exercise (e.g. live fire training, movement of tanks or artillery pieces, maneuvers of infantry, etc.)⁴⁴

[insert additional articles as necessary]

⁴⁴ **Observation:** This requirement to inform the United Nations does not imply a hierarchy since it is a commitment of Greece and Turkey to each other, in the interest of transparency, contained in a treaty to which the United Nations is not a party.

Appendix V. TRANSITIONAL SECURITY ARRANGEMENTS

Article 1 Dissolution of Greek Cypriot and Turkish Cypriot forces, including reserve units

All Greek Cypriot and Turkish Cypriot forces, including reserve units, shall be dissolved, and their arms removed from the territory of the United Cyprus Republic, in accordance with the following timetable (based on the day of entry into force of the Foundation Agreement ("A-Day")): ~~a timetable which shall commence no later than five months following the signature of the Treaty on matters related to the new state of affairs in Cyprus ["T-day"] and shall be carried out as follows:~~

- a. From A-Day + 150 to A-Day + 270: 20 per cent; (4 months)
- b. From A-Day + 271 to A-Day + 450: 25 per cent; (6 months)
- c. From A-Day + 451 to A-Day + 630: 25 per cent; (6 months)
- d. From A-Day + 631 to A-Day + 870: 30 per cent. (8 months)

Article 2 Adjustment of Greek and Turkish forces

Greek and Turkish forces and armaments shall be redeployed to the locations and facilities designated in accordance with the Codicil to the Additional Protocol to the Treaty of Alliance and adjusted to agreed levels. Any excess forces and armaments shall be withdrawn, in accordance with the following timetable (based on the day of entry into force of the Foundation Agreement ("A-Day")): ~~which shall commence no later than five months following T-day and shall be carried out as follows:~~

- a. From A-Day + 150 to A-Day + 270: 20 per cent; (4 months)
- b. From A-Day + 271 to A-Day + 450: 25 per cent; (6 months)
- c. From A-Day + 451 to A-Day + 630: 25 per cent; (6 months)
- d. From A-Day + 631 to A-Day + 870: 30 per cent. (8 months)

Article 3 Redeployment from areas subject to territorial adjustment prior to transfer of administration

1. Notwithstanding the above, any forces and armaments⁵⁰ shall be redeployed so as to vacate:
 - a. a zone extending 1,000 metres from either side of the August 1974 cease-fire lines, in an initial disengagement of forces deployed along

⁵⁰ **Observation:** This does not apply to the United Nations peacekeeping forces.

that line, within 90 days of entry into force of the Foundation Agreement;

- b. an area subject to territorial adjustment for which administration is to be transferred and a zone extending 1,000 metres beyond it, two weeks prior to the date agreed in the Foundation Agreement for the transfer of administration.
2. The relevant forces shall be responsible for the clearance of areas that they have mined. Such clearance shall be completed prior to the date of redeployment. Upon redeployment, all relevant records, technical information and maps concerning such mined areas shall be handed over to the United Nations in conformity with the technical annex of Amended Protocol II of the Convention on Certain Conventional Weapons.

**ATTACHMENT 2: PROTOCOL REQUESTED TO BE ATTACHED TO THE
TREATY OF ACCESSION OF CYPRUS TO THE EUROPEAN
UNION**

- i. *Taking into account the comprehensive settlement of the Cyprus Problem through the Foundation Agreement agreed between the Greek Cypriots and the Turkish Cypriots*
- ii. *Taking into account the Treaties of Guarantee and Alliance, the Additional Protocols thereto, and the Treaty of Establishment*
- iii. *Bearing in mind and respecting the demilitarisation of Cyprus*
- iv. *Considering that the Treaty of Accession of Cyprus to the European Union shall not prevent the implementation of the Foundation Agreement, and shall accommodate its terms in line with the principles on which the European Union is founded*
- v. *Bearing in mind that Cyprus shall take all appropriate measures, whether in general or particular, to ensure the fulfillment of the obligations arising out of European Union membership, in line with the specifications of the Treaty of Accession and this Protocol, and that transitional periods agreed during the accession negotiations shall apply to the United Cyprus Republic and its two constituent states, subject to the division of powers as laid down in the Foundation Agreement*
- vi. *Underlining that the political equality of Greek Cypriots and Turkish Cypriots, the equal status of the two constituent states, and the prohibition on any unilateral change to the state of affairs established by the Foundation Agreement, fall within the terms of Article 6(1) of the Treaty of the European Union*
- vii. *Recognising the need to protect the balance between Greek Cypriots and Turkish Cypriots in Cyprus, the bi-zonal character of the Cyprus and the identity of the constituent states*
- viii. *Underlining that accession to the European Union shall benefit Greek Cypriots and Turkish Cypriots alike and promote development to help reduce economic disparities*
- ix. *Recalling that, in accordance with the Presidency Conclusions of the Brussels European Council of 24 and 25 October, a programme will be established by the Council, with disbursement of 206 million euros between 2004 to 2006, in support of the economic development of the northern part of a reunited Cyprus, and that this programme shall be established in addition to the normal operation of the European Union's structural funds*

- x. *Taking into account the special relations of Greek Cypriots and Turkish Cypriots with Greece and Turkey respectively*
- xi. *Bearing in mind that, as a European Union member state, Cyprus shall apply the rules of the European Union-Customs Union with Turkey, thereby according European Union treatment to Turkey in the fields where this is provided for*
- xii. *Wishing to accord, to the extent compatible with the European Union membership of Cyprus, similar rights for Greek and Turkish nationals vis-à-vis Cyprus*

The High Contracting Parties have agreed as follows:

Article 1 Arrangements relating to property and residency rights

The provisions of the Treaty shall not preclude the application of restrictions, on a non-discriminatory basis, on:

- a. the right of natural persons who have not been resident for at least three years in the Turkish Cypriot State, and for legal persons, to purchase real property in the Turkish Cypriot State without permission of the competent authorities of the Turkish Cypriot State;
- b. the right of Cypriot citizens to reside in a constituent state of which they do not hold internal constituent state citizenship status, if
 - i) in the form of a moratorium during the first six years after entry into force of the Foundation Agreement;
 - ii) if the percentage of such residents of the total population of a municipality or village has reached 7% between the 7th and 10th years and 14% between the 11th and 15th years;
 - iii) until Turkey's accession to the European Union if the percentage of such residents of the total population of a constituent state has reached 21%.
- c. the right of Greek nationals to reside in Cyprus, if the number of resident Greek nationals has reached 5% of the number of resident Cypriot citizens who hold the internal constituent state citizenship status of the Greek Cypriot State;
- d. the right of Turkish nationals to reside in Cyprus, if the number of resident Turkish nationals has reached 5% of the number of resident Cypriot citizens who hold the internal constituent state citizenship status of the Turkish Cypriot State.

Article 2 Safeguard measures

- 1. Where, in exceptional circumstances, the operation of the European Union's internal market characterised by the abolition, as between Member States, of obstacles to the free movement of goods, persons, services and capital, cause, or threaten to cause, serious economic

difficulties in the Turkish Cypriot State, the competent Cypriot authorities may take the appropriate safeguard measures for a period of three years. These measures may be prolonged with the consent of the Commission. Such measures shall be proportional and shall not constitute disguised restrictions on trade.

2. If measures taken in the circumstances referred to in paragraph 1 have the effect of distorting the conditions of competition in the internal market, the Commission shall, together with Cypriot representatives, examine how these measures can be adjusted.
3. By way of derogation from the procedure laid down in Articles 226 and 227 of the Treaty establishing the European Community, the Commission or any Member State may bring the matter before the European Court of Justice if it considers that Cyprus is making improper use of the powers provided for in paragraph 1.

Article 3 *Entry and residency rights of Turkish nationals*

The European Union shall authorise Cyprus to accord equal treatment regarding entry and residency rights with respect to its territory to Greek and Turkish nationals without prejudice to policies and arrangements applying to entry and residency rights of Turkish nationals in other member states of the European Union. Rules of implementation for such entry and residency rights for Turkish citizens, compatible with the above principle and the participation of Cyprus in the Schengen acquis, shall be negotiated between the Commission, Cyprus and Turkey without delay of entry into force of the Foundation Agreement.

Article 4 *The European Security and Defence Policy*

The participation of Cyprus in the European Security and Defence Policy shall fully respect the provisions of the Foundation Agreement and the provisions of the Treaties of Guarantee and Alliance and the Additional Protocols thereto, and in no sense undermine those provisions.

Article 5 *Representation in the European Parliament*

Cyprus will be represented in the European Parliament according to proportional representation, provided that each constituent state is attributed no less than one third of the Cypriot seats in the European Parliament.

ANNEX X: CALENDAR OF IMPLEMENTATION

[insert descriptive calendar of implementation of obligations created elsewhere in the Foundation Agreement, as well as in other parts of the Comprehensive Settlement.]

ANNEX XI: APPOINTEES TO THE TRANSITIONAL SUPREME COURT AND THE TRANSITIONAL CENTRAL BANK

Article 1 Appointees to the transitional Supreme Court

The members of the transitional Supreme Court of Cyprus shall be:

[insert names of nominees no later than 10 March 2003. If no nominees are agreed upon, the Secretary-General shall make his suggestions which shall be put to referenda with the rest of the Foundation Agreement.]

Article 2 Appointees to the transitional Central Bank

The members of the transitional Board of the Central Bank of Cyprus shall be:

[insert names of nominees no later than 10 March 2003. If no nominees are agreed upon, the Secretary-General shall make his suggestions which shall be put to referenda with the rest of the Foundation Agreement.]

MATTERS TO BE SUBMITTED TO THE UNITED NATIONS SECURITY COUNCIL FOR DECISION

By agreement of the parties to the "Commitment to submit the Foundation Agreement to approval at separate simultaneous referenda in order to achieve a comprehensive settlement of the Cyprus problem", the Security Council is requested to take decisions to enter into force simultaneously with the Foundation Agreement, in which the Security Council would:

1. endorse the Foundation Agreement and, in particular;
 - a. take formal note that any unilateral change to the state of affairs established by the Foundation Agreement, in particular union of Cyprus in whole or in part with any other country or any form of partition or secession, is prohibited; and
 - b. acknowledge the political equality and distinct identity of Greek Cypriots and Turkish Cypriots and the equal status of their constituent states in the United Cyprus Republic; and
2. prohibit the supply of arms to Cyprus in a manner that is legally binding on both importers and exporters;
3. decide to maintain a United Nations peacekeeping operation in Cyprus, which shall remain so long as the federal government, with the concurrence of both constituent states, does not decide otherwise, and shall be authorised to deploy and operate freely throughout Cyprus with the following mandate:

"to monitor the implementation of the Foundation Agreement and use its best efforts to promote compliance with it and contribute to the maintenance of a secure environment; and in particular:

 - a. to monitor and verify compliance with the security provisions in the Foundation Agreement, including:
 - i) the dissolution of all Greek Cypriot and Turkish Cypriot forces, including reserve units, and the removal of their arms from the island;
 - ii) the adjustment of Greek and Turkish forces and armaments to agreed equal levels;
 - b. to monitor and verify compliance with the provisions in the Foundation Agreement pertaining to the federal and constituent states police;⁵¹

⁵¹ **Observation:** The United Nations operation would not assume direct responsibility for the enforcement of law and order.

- c. to use its best efforts to ensure the fair and equal treatment under the law of persons from one constituent state by the authorities of the other;
- d. to supervise the activities relating to the transfer of areas subject to territorial adjustment;
- e. to chair, and provide administrative support to, the Monitoring Committee to be established under the Treaty between Cyprus, Greece, Turkey and the United Kingdom on matters related to the new state of affairs in Cyprus;
- f. to implement its mandate through, for example, conducting patrols and establishing positions and roadblocks, as well as receiving complaints, making inquiries, presenting facts, giving formal advice and making representations to the authorities."

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