FINANCING MEMORANDUM

The European Commission, hereinafter referred to as "THE COMMISSION", acting for and on behalf of the European Community, hereinafter referred to as "THE COMMUNITY" on the one part, and

The Government of the Republic of Cyprus, hereinafter referred to as "THE RECIPIENT" on the other part,

HAVE AGREED AS FOLLOWS

The measure referred to in Article 1 below shall be executed and financed out of the budget resources of THE COMMUNITY in accordance with the provisions set out in this Memorandum. The technical, legal, and administrative framework within which the measure referred to in Article 1 below shall be implemented have been set out in a Framework Agreement signed between the Commission and the Recipient on 13 June 2001, and supplemented by the terms of this Memorandum, and the Special Provisions annexed hereto.

ARTICLE 1 - NATURE AND SUBJECT

As part of its aid programme, THE COMMUNITY shall contribute, by way of grant, towards the financing of the following MEASURE:

Title: 2001 National Programme for Cyprus
Duration Until 30/09/2004
Code: CY/01/01

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of 11,5 MEUR hereinafter referred to as "THE EC GRANT".

ARTICLE 3 - DURATION AND EXPIRY

For the present MEASURE, THE EC GRANT is hereby available for contracting until 30/09/2003 subject to the provisions of this Memorandum. All contracts must be signed by this date. Any balance of funds of the EC GRANT which have not been contracted by this date shall be cancelled. The deadline for disbursement of THE EC GRANT is 30/09/2004. All disbursements must be completed by the deadline for disbursement. THE COMMISSION may however, in exceptional circumstances, agree to an appropriate extension of the contracting period or of the disbursement period, should this be requested in due time and properly justified by THE RECIPIENT. This Memorandum shall expire at the expiry of the disbursement period of the EC GRANT. All the funds which have not been disbursed shall be returned to the Commission.
ARTICLE 4 - ADDRESSES

Correspondence relating to the execution of THE MEASURE, stating THE MEASURE'S number and title, shall be addressed to the following:

for the COMMUNITY:
Commission of the European Communities
Directorate General Enlargement
Cyprus Team
Rue de la Loi 200
B-1049 Brussels

Tel 00 32 2 299 52 28
Fax 00 32 2 296 87 51

for THE RECIPIENT:

Permanent Delegation of the Republic of Cyprus to the European Union
2, Square Ambiorix
B-1000 Brussels

Tel 00 32 2 735 35 10
Fax 00 32 2 735 45 52

ARTICLE 5 - NUMBER OF ORIGINALS

This Memorandum is drawn up in duplicate in the English language.

ARTICLE 6 - ENTRY INTO FORCE

This Memorandum shall enter into force on the date on which it has been signed by both parties. No expenditure incurred before this date is eligible for the EC GRANT.

The Annexes shall be deemed an integral part of this Memorandum.

Done at .......... 30/01
Date

for THE RECIPIENT

Encl.
1. General Conditions (Annex A)
2. Special Conditions (Annex B)
3. Visibility/Publicity (Annex C)
ANNEX A
General Conditions relating to Financing Memoranda

In these General Conditions, the term “Recipient” shall mean the Government of the Republic of Cyprus.

TITLE I
FINANCING OF MEASURES

Article 1 - COMMITMENT OF THE COMMUNITY
The financial commitment of the Community “EC Grant”, the amount of which is laid down in the Financing Memoranda, shall determine the limit within which expenditure will be covered by duly approved contracts (forming a “Measure”).
In the case of the participation to Community Programmes and Agencies, the Commission contribution will be committed and disbursed according to the agreements signed with the Republic of Cyprus on their participation in the said Programmes and Agencies. Any expenditure over and above the EC Grant shall be borne by the Recipient.

Article 2 - AVAILABILITY OF THE EC GRANT
Where the execution of a Measure depends on financial commitments from the Recipient’s own resources or from other sources, the EC Grant shall become available at such time as the financial commitments of the Recipient and/or the other sources of funds, as set out in the Financing Memoranda, have themselves become available. The Recipient shall provide due evidence of the availability of these resources.

TITLE II
IMPLEMENTATION

Article 3 - GENERAL PRINCIPLE
The management of the Community assistance programmes shall be decentralised to the Recipient on the basis of systems and procedures which comply with the provisions of Title IX of the Financial Regulation applicable to the general budget of the European Communities relating to external aid, in accordance with Council Regulation (EC) N° 555/2000¹ and with the provisions of the latest version of the Decentralised Implementation System (D.I.S.) Manual, notified to the Recipient.

Article 4 - EXTENDED DECENTRALISATION
If the conditions specified in Annex B are met, and as foreseen in Article 7.4 of the Council Regulation (EC) N° 555/2000, the Commission may decide on a case-by-case basis to extend the decentralisation and set up an Extended Decentralisation Implementation System (EDIS) for the programmes with Cyprus by waiving all ex-ante controls. The main objective of

¹ OJ L68, 16/03/2000
extended decentralisation is to familiarise the Recipient with the joint responsibility principles that underpin the implementation of the Structural Funds by Member States. Extended decentralised implementation will be subject to ex-post control by the Commission.

Article 5 - GENERAL PRIVILEGES
Personnel taking part in Community financed Measures and members of their immediate family may be accorded no less favourable benefits, privileges and exemptions than those usually accorded to other expatriates employed in the Republic of Cyprus under any other bilateral or multinational agreement or arrangements for economic assistance and technical co-operation programmes. The provisions of this Article do not confer diplomatic status on personnel taking part in the Community financed Measures.

TITLE III
PROCUREMENT AND EXECUTION OF CONTRACTS

Article 6 - GENERAL PRINCIPLE
The Recipient shall follow the procurement and contracting rules set out in the Practical Guide to EC external aid contract procedures.

Article 7 - EXTENDED DECENTRALISATION
Detailed conditions applicable to EDIS are set out in Annex B to this Agreement.

Article 8 - ELIGIBILITY
Tendering procedures for works, supply and service contracts shall be open on equal terms to all natural and legal persons of the countries referred to in Art. 7 of Regulation (EC) No 555/2000.

Article 9 - ORIGIN OF SUPPLIES
The supplies required for the performance of works, supply and service contracts must originate, as defined by the provisions laid down in Articles 22 to 26 of Regulation (EC) No 2913/92, in the countries allowed to participate pursuant to Article 8.

Article 10 - DISBURSEMENT
Contracts are eligible for payment from the EC grant only if they are concluded before the expiry date fixed for contracting in the Financing Memorandum. The last payment for such contracts must be effected no later than the expiry date fixed for disbursements in the Financing Memorandum. Extensions of this period should be exceptional and must be approved by the Commission.
Within the limit set on the EC Grant, requests for funds shall be presented to the Commission by the Recipient in accordance with the schedule set out in the Financing Memorandum. Documentary evidence relating to payments made in respect with the Measure shall be made available in support of the request for funds where the Commission so requires.
However, certain contracts covered by the Measure may provide for direct payment by the Commission to the contractors. Each contract shall lay down the rate and the time of such payments, together with the documentary evidence to be produced.

**Article 11 - CURRENCY**

Contracts financed from the EC Grant and the related tenders shall be expressed in Euro unless otherwise agreed with the Commission on a case-by-case basis, while payments to contractors shall be made either in Euro or in the currency of the Republic of Cyprus to a maximum of the Euro-value stipulated in the contract. Exchange rate losses shall not be financed out of the EC Grant. For payments in the currency of the Republic of Cyprus, the conversion rate between Euro and national currency shall be the exchange rate published by the European Central Bank on the last but one working day at the Commission in the month preceding the month during which the expenditure was recorded. For amounts fixed by the clearance of accounts and conformity clearance decisions, the conversion rate between Euro and national currency shall be the exchange rate published by the European Central Bank on the last but one working day at the Commission in the month preceding the month during which the decision was taken.

**Article 12 - ESTABLISHMENT AND RIGHT OF RESIDENCE**

Natural and legal persons participating in tendering procedures and works, supply or service contracts shall be granted equal and provisional right of establishment and residence in the Republic of Cyprus where this is justified by the nature of the contract. This right shall remain valid for one month after the contractor is selected. Contractors and natural persons and members of their family whose services are required for the contract shall enjoy similar rights for the duration of the contract up to one month following the final acceptance of work performed under the contract.

**Article 13 - TAX AND CUSTOMS ARRANGEMENTS**

No taxes, duties, or other charges having an equivalent effect shall be charged to the Community’s financial contribution. The Recipient shall apply to contracts financed by the Community tax and customs arrangements no less favourable than those applied to the most-favoured State or most-favored international organisation.

Imports under supply contracts concluded by the Cypriot authorities and financed out of the EC Grant shall be allowed to enter the Republic of Cyprus without being subject to customs duties, import duties, taxes or fiscal charges having equivalent effect. The Recipient shall ensure that the imports concerned will be released from the point of entry for delivery to the contractor as required by the provisions of the contract and for immediate use as required for the normal implementation of the contract, without regard to any delays or disputes over the settlement of the above-mentioned duties, taxes or charges.

Contracts for supplies or services provided by Cypriot or external firms, financed out of the EC Grant, shall not be subject in the Republic of Cyprus to value added tax, documentary stamp, registration duties or fiscal charges having equivalent effect, whether such charges exist or are to be instituted.
Natural and legal persons, including expatriate staff, from the Member States of the European Union executing technical co-operation contracts financed out of the EC Grant shall be exempted from business and income tax in the Republic of Cyprus.

Personal and household effects imported for personal use by natural persons (and members of their immediate families), other than those recruited locally, engaged in carrying out tasks defined in technical co-operation contracts shall be exempt from customs duties, import duties, taxes and other fiscal charges having equivalent effect, the said personal and household effects being either re-exported or disposed of in the state in accordance with the regulations in force in the state of the Recipient after termination of the contract.

Natural and legal persons importing professional equipment shall, for the purpose of a contract financed out of the EC grant, if they so request, benefit from the system of temporary admission as defined by the national legislation of the Republic of Cyprus in respect of the said equipment.

Article 14 - IMPORT AND FOREIGN EXCHANGE ARRANGEMENTS

The Recipient shall undertake to authorise the import or acquisition of foreign exchange required for implementation of a Measure. It shall also undertake to apply its national rules on foreign exchange on a non-discriminatory basis to the countries authorised to participate pursuant to Article 9.

2. The Recipient shall grant the permits necessary to repatriate funds received in respect of Measures, in accordance with the foreign exchange control regulations in force in the Republic of Cyprus.

Article 15 - INTELLECTUAL PROPERTY

If studies are financed under this Financing Memorandum, the Commission and the Recipient shall be entitled to use the data contained in such studies and to publish it or pass it on to third parties.

All reports and data such as maps, diagrams, drawings, specifications, plans, statistics, calculations and supporting records or materials acquired, compiled or prepared by consultants in the performance of contracts financed with the EC Grant shall be confidential and shall be the property of the Recipient. The Commission shall have access to all these reports and data.

Article 16 - DISPUTES BETWEEN THE RECIPIENT AND A CONTRACTOR

The Recipient shall undertake to reach agreement with the Commission before a final position is taken on any request from the contractor for compensation not covered by the contract. If no agreement can be reached, the Commission shall not be liable for any amounts granted unilaterally including those granted by the Recipient.
TITLE IV
GENERAL AND FINAL PROVISIONS

Article 17 - PUBLICITY

Measures shall be implemented in such a way to ensure maximum publicity for the Community's involvement at all times. Actions of communication and information shall be determined in close collaboration with the EC Delegation in the Republic of Cyprus. Special attention shall be devoted to implementing these provisions at events, and in all public or official written material connected with Measures. Objects, equipment and documentation connected with a Measure shall carry the Community flag with the text in the language of the Recipient. The symbols identifying the Community shall be of the same size and appearance as any symbols identifying the Recipient, should the latter be present.

Article 18 - FOLLOW-UP OF MEASURES

In following the execution of the Measure, the Commission may request any explanation and, where necessary, may agree with the Recipient on a new orientation for the Measure which is deemed to be better adapted to the objectives in view. The Recipient shall make reports to the Commission following the time-schedule laid down in the Financing Memorandum, throughout the period of execution of the Measure and after completion thereof. The Commission will in the light of the reports and where appropriate of the ex-post evaluation, proceed to the official closure of the Measure and will inform the Recipient of the date of official closure of the Measure.

Article 19 - INSPECTION AND AUDITS

1. The Commission shall have the right to send its own agents or authorised representatives to undertake any technical, accounting or financial assignments it may consider necessary to monitor the implementation of a Measure.

2. Notwithstanding the controls made by the recipient, the Commission and the European Court of Auditors, in the accomplishment of their responsibilities under the Treaties establishing the European Communities, shall have the right to undertake technical or financial audits on the spot and on the basis of supporting documents of accounts and accounting documents and any other documents relating to the financing of a Measure.

3. With a view to ensuring an efficient protection of the financial interests of the Community, in conformity with the Regulation (EC/Euratom) N° 2988/95, the Commission may also undertake on the spot checks and controls as foreseen by the Regulation (EC/Euratom) N° 2185/96.

4. The Recipient shall be notified when agents appointed by the Commission or the European Court of Auditors are sent to the site of a Measure.

5. To this end the Recipient:

- shall undertake to provide any information or documents requested and to take any measures to facilitate the work of persons undertaking such audits or inspections;
shall keep full accurate and systematic records of the files and accounts required to identify the work, supplies or services financed under this Financing Memorandum and the supporting documents relating to local expenditure in accordance with best accounting practice;

- shall assist the Commission and the European Court of Auditors, in the accomplishment of their responsibilities under the Treaties establishing the European Community, in auditing the Measure’s accounts, if necessary, on the spot;

- shall ensure that the Commission’s representatives can inspect any accounting or other documents relating to a Measure and shall assist the European Court of Auditors in monitoring the use made of the EC Grant.

6. The Commission, or its authorised representatives, may also carry out an ex-post evaluation and a final audit of Measures. The ex-post evaluation will assess the achievement of the objectives/targets of Measures as well as the impact on the sector concerned. In case the objectives / targets have not been achieved, the Commission reserves the possibility to recover part or whole of the funds.

The final audit will review the financial data of a Measure, evaluate uncontracted and/or undisbursed funds, provide an independent opinion on the legality, eligibility, reliability and consistency of contracts and disbursements as well as on their compliance with the provisions of this Framework Agreement and the relevant Financing Memorandum. On this basis the audit will establish, after consultation with the recipient, the balance of funds which shall be reimbursed to the Commission.

The Commission shall, on the basis of the audit conclusions, take a formal Decision called a “Conformity Clearance Decision” on the expenditure to be excluded from Community financing and reimbursed.

7. The amount to be recovered in accordance with the conformity clearance Decision, shall be communicated to the Recipient who shall ensure that the amount is credited to the Commission in Euro within two months of notification of the decision. The Commission may however, on a case by case basis, decide that any amount to be credited to it shall be offset against payments due to be made by the Commission to the Recipient under any Community assistance Measure.

8. The amount recovered in accordance with the conformity clearance Decision shall not be reallocated to the Measure.

9. Where the timelimits fixed in the conformity clearance Decision are not respected, any outstanding amount shall generate interest at a rate equal to the Euribor rate for three month deposits published by the European Central Bank plus 1.5 % points. That rate shall be the monthly average of the month in which the decision referred to in these articles was notified.

Article 20 - CLOSURE OF MEASURES

The Commission will decide on a case by case basis when to close a Measure and discharge the Recipient from its financial responsibilities on the basis of the results of the audits carried out.
Article 21 - CONSULTATION – DISPUTES

Any matter relating to the implementation or interpretation of this Financing Memorandum shall give rise to consultation between the Recipient and the Commission. This procedure may, if necessary, lead to this Financing Memorandum being amended.

2. Where there is a failure to carry out an obligation set out in the Financing Memorandum and these General Conditions, which has not been the subject of remedial measures taken in due time, the Commission may suspend the financing of the Measure, after consultation with the Recipient.

3. The Recipient may decide to withdraw wholly or partially from a Measure with the Commission's approval.

4. Any decision taken by the Commission to suspend financing or by the Recipient to withdraw totally or partially from a Measure shall be notified to all interested parties in writing.

Article 22 - NOTIFICATION - ADRESSES

Any communication or agreement between the Community and the Recipient shall be recorded in writing, giving the number and title of the Measure. This shall be sent by letter to the authorised addressee at the latter's address. In emergencies, communications by fax or e-mail shall be allowed, provided they are immediately confirmed by letter. The addresses are set out in this Financing Memorandum.

Objectives, Description and Conditionality

In view of Art.6 of the regulation, overall agreement on the programme for the year 2001 will depend on the commitment of the Cyprus government as described in the paragraph entitled “Conditionality” of the Cyprus Accession Partnership (March 2000):

"Community assistance for financing projects is conditional on respect by Cyprus of its commitments under the Association Agreement, further steps towards satisfying the Copenhagen criteria and in particular progress in meeting the specific priorities of the Accession Partnership in 2000. Failure to respect these general conditions could lead to a decision by the Council on the suspension of financial assistance on the basis of article 4 of Regulation (EC) N° 622/98."

The 2001 programme for Cyprus will focus on four main objectives:

- Objective 1 – Improve the Cypriot capacity to apply the acquis in the field of Environment

Project 1 – Urban Wastewater

The objective of the assistance is to help Cyprus meet its obligations and the requirements of Directive 91/271/EEC on Urban Wastewater Treatment, concerning the installation of collection networks and appropriate treatment for all agglomerations with equivalent population of more than 2000.

It comprises the following activities:

- Technical and Detailed Design Studies for sewerage schemes and treatment plants for agglomerations with more than 2000 p.e.;
- Tender documentation for the installation of centralised collecting systems and treatment plants.

Project 2 – Management of the Akamas forest

The objective of the assistance is the improvement of some of the aspects of management of the protected area constituted by the Akamas forest. It is in line with the EU-World Bank funded report recommending the transformation of the Akamas area into a natural reserve.

It will comprise the following activities:

- Improvement of the fire protection system and restoration of the bare and degraded areas (construction and improvement, for fire-fighting purposes, of forest access roads, tracks and firebreaks; construction of water tanks; installation of water supply points; safe access of the public to the forest, particularly as regards forest safety; elaboration of a plan to restore bare and degraded areas of the Akamas forest - Restoration Plan).

- Installation of an automatic fire detection system (technical assistance and purchase of the necessary equipment and associated services)
Objective 2 – Further integration of Cyprus in the Internal Market

Project 1 – Measures to further develop the operational capacity of the Cyprus VAT Service

The objective of this project is to introduce systems and procedures designed to improve taxpayers' voluntary compliance, strengthen the audit and investigation function, and strengthen the VAT Service relationships with the trade community.

In particular, the project will comprise (among others):

- Short-term technical assistance with the formulation of an overall policy, and supporting systems and procedures, for ensuring improved voluntary compliance by taxpayers;
- Procurement, installation, testing and implementation of a user-friendly IT-based system, which enables taxpayers to submit VAT returns and pay tax directly, by electronic means;
- Technical assistance, supported where necessary by comparative studies, with the formulation of an overall policy, and supporting systems and procedures, for ensuring impartiality of taxpayer treatment, and confidentiality of taxpayer information;
- Short-term technical assistance, supported where necessary by comparative studies, with establishing and developing specialised control/audit teams responsible for e.g. cash traders, large businesses, and traders with computerised accounting systems;
- Expert assistance, supported where necessary by comparative studies, with the development of a risk-management policy and resulting procedures;
- Short-term technical assistance with the development of an external relations strategy and mechanisms, which assist the VAT Service to strengthen its relationships with taxpayers, tax advisers, trade associations, the media, other government departments etc.;
- Training of relevant managers and staff in the new systems and procedures;

Project 2 – Measures to further develop the operational capacity of the department of Customs and Excise

The objectives of this project are to: develop and implement effective control policies, systems and practices for all excise products and all customs duty suspension and relief regimes, develop and implement simplified customs procedures, in line with EU requirements and international obligations, and to educate the trade community in the new procedures.

In particular, the project will comprise:

- Short-term technical assistance with formulating policy, systems and control mechanisms for a variety of control regimes (imports, exports, deliveries, tax/bonded warehousing, other duty reliefs and suspensions, drawback etc.) for the whole range of excise products (hydrocarbon oils, tobacco, alcoholic drinks, etc.);
- Comparative studies and technical assistance with formulating policy, systems and control mechanisms for a variety of customs duty relief and suspension regimes (inward processing relief, outward processing relief, warehousing, free zones, temporary importation, etc.);
- Comparative studies and technical assistance in the area of simplified customs procedures;
- Training in each designated area for the managers and staff responsible for applying the controls;
- Production of technical instructions for use by managers and staff after their training;
- Production and publication of guidance for the trade community in the new procedures.
Project 3 – Capacity building for accreditation and the new approach directives (Free Movement of Goods 1)

The objective of the assistance is to complete the legislative framework and to support the implementation of the Accreditation and the New Approach Directives.

It will comprise the following activities:

Accreditation
- Assessment of the existing legislative framework, laboratory capacity and identification of specific problems;
- Technical assistance for the amendment of the existing legislation and the enhancement of existing capacity with regard to the EU requirements;
- Advice on drafting/implementation of regulations on Accreditation, including the Good Laboratory Practice (GLP);
- Training programmes for assessors/consultants/laboratory managers, including practical joint assessments with Lead Assessors/trainers from European bodies.

New Approach Directives
- Advice to the competent authorities on drafting/implementation of Framework Law and secondary legislation (regulations) on New Approach Directives;
- Guidance for the assessment of the existing situation: legislation (e.g. the General Safety Law, the Product Liability Law etc.), laboratory capacity, fields in which Notified Bodies could be established, existing market surveillance mechanisms etc.;
- Guidance for the evaluation of the efficiency of the legislative framework under preparation and advice on particular issues, e.g. overlap between authorities, products to meet requirements of more than one directive, market surveillance etc.;
- Guidance for the assessment of local laboratories, as potential Notified Bodies (e.g. how to meet the criteria, how to assess);
- Training programme for competent authorities on the implementation and management of the New Approach Directives, including joint work on the implementation of relevant directives;
- Advice on the strategy to be followed to ensure that products regulated by New Approach Directives have free access both in EU and Cyprus market, prior to Cyprus accession to the EU (mutual recognition, reciprocity, protocols for European conformity assessment, third countries’ products etc).

Conditionality: The approval of this project is conditional to the strict respect by the Cypriot authorities of their commitments in terms of harmonisation of legislation in the field, as made through the NPAA and the negotiations (especially the legislative framework on new approach directives).

Project 4 – Upgrading state laboratories (Free Movement of Goods 2)

The objective of the assistance is the following: to support the Cyprus’ state laboratories to fully implement EU legislation regarding the official controls and to comply with the requirements concerning the accreditation of laboratories (EN 45001).

It will comprise the following activities

State General Laboratory
- Technical assistance to carry out a Microbiological Risk-assessment Study and an Ecotoxicological Risk-assessment Study, and to develop the specific indicators, in accordance with Risk-assessment of Chemicals directives and regulations and with
Directive 76/464 on the pollution caused by certain dangerous substances discharged into the aquatic environment;

- technical assistance for the development and implementation of a program for the official control according to the requirements of EU legislation regarding the number of samples analysed, number of parameters, frequency of sampling, quantitative determinations etc.;

- technical assistance and training courses on the implementation of new methods of analysis specific to the above mentioned areas, on the operation of new high-technology equipment and on risk-assessment;

- purchase of the necessary equipment and the associated training. This equipment is necessary for the control of Foodstuffs, Veterinary drug residues, Radioactive contamination of foodstuffs, Safety of toys, Cosmetics, Environment-water/air pollution/wastes, Risk assessment, Plant health-pesticide residues and Plant hygiene-contaminants in foodstuffs (gas chromatographs, HPLC’s, accessories for GC-MS, GC-autosamplers, computer control processors for HPLC’s, autosampler for HPLC, data processors for GC, a-counter, b-counter and electron disposition system, autosampler for Nmr, software for SNIF/Nmr, etc).

**Veterinary Laboratories**

- technical assistance and training courses on calibration, implementation of ISO methods of analysis, procedures to be applied and documentation to be used, operation of high-technology equipment etc;

- purchase of the necessary equipment and the associated training, substances and technical documentation. This equipment is necessary for the control of Foods of animal origin, Public health, Animal decease, Zoonoses and Environment-water (incubators, waterbaths, safety cabinets, deep freezers, ELIZA automatic microplate processor, pH meters, electronic balances, etc).

**Conditionality:** The approval of the project is conditional to the complete transposition and implementation of the legal framework (Acquis) in the sectors covered by the two types of laboratories, as foreseen in the NPAA.

**Objective 3 – Improve the Cypriot capacity to integrate and apply the acquis in the field of Employment and social affairs**

**Single project – Reinforcement of the social partners capacity to develop and implement the EU Acquis**

The objective of the assistance is to provide support to Social Partners’ capacity-building efforts to develop and implement the EU Acquis, through training programmes on Community social policy, as well as through further strengthening of links with corresponding EU organisations.

This will be realised mainly through the following type of activities:

- Organisation seminars, conferences, workshops and training sessions, in Cyprus, aiming at raising awareness and developing knowledge with regard to the application of EU Acquis in the Social Field;

- “Train the trainers” programmes with a view to increase in-house capabilities of social partner’s organisations so as to be able to offer training activities and dissemination of information (both to their staff and members) with regard to programmes on the application of the EU Acquis in the field of Social Policy and Employment on a continuous basis.

- Participation of Social Partners (officials and staff) in meetings, seminars and conferences organised by the EU relevant services, Sectoral Dialogue Committees and Social
Partners’ organisations, both at EU and Member States level, in order to promote and strengthen the links with Social Partners at EU level, especially with regard to their participation in the sectoral dialogue;
Study visits, placements/internships of Employees’ and Employers’ organisations (officials and staff) to relevant EU services and/or organisations within EU Member States, in order to get acquainted with methods and procedures relating to the adoption and the effective implementation and enforcement of the EU Acquis;
Participation of Social Partners in Works Council meetings of Community-scale undertakings in order to get familiar with the methods and procedures relating to the adoption and the effective implementation of the European Works Councils Directive (94/45/EC).
Creation/Improvement of ‘expert services’ within Social Partners’ organisations, in order to provide technical support to their members on the application of the EU Acquis in the Social Policy and Employment sector.

**Conditionality:** This project will have to be closely linked and co-ordinated with the bi-communal project on support to trade unions included in this proposal (see below objective 4). The investment activities of the project will have to be submitted to prior approval by the Commission services, or reallocated to the Institution Building component.

**Objective 4 – Contribution to the reconciliation of the two Cypriot communities (bi-communal projects)**

**Bi-communal project 1 – Further contribution to the Nicosia Master Plan**

The objectives of this bi-communal project are multifold

- To bring together members of the Greek and Turkish Cypriot communities, to work jointly in the preparation and implementation of bi-communal projects.

- To support the revitalisation of the Walled City of Nicosia and the conservation of its architectural and cultural heritage, according to the policies and provisions of the bi-communal Nicosia Master Plan.

- To sensitise Nicosia residents to conservation issues and the importance of their shared heritage and to mobilise them towards these goals. Public enlightenment campaigns before implementation and during implementation to show the origin of the project is based in the Nicosia Master Plan.

- To improve the living environment of the residents of Nicosia neighbourhoods. It will include firstly the continuation and expansion of previously approved activities (around the Omeriye and near the Selimiye Mosque, formerly the Saint-Sophia cathedral) and secondly the revitalisation of two other neighbourhoods (Phaneromeni and Samanbahce).

This will be realised through revitalisation and related activities:

- Technicians of the two communities will meet on a regular basis in order to follow-up the activities, exchange information and techniques.

- The improvement of the visual environment of the various areas will be achieved through a combination of activities. These activities will include, besides the improvement of the infrastructure and urban environment, the restoration of buildings and monuments and the improvement of the shopping and community facilities (as appropriate).
Awareness campaigns to be organised throughout the old city of Nicosia. Technical seminars to be held in order to sensitise and explain the various aspects of restoration activities.

- **Involvement of civil society organisations will be encouraged.**

Promotional campaigns to be organised to demonstrate the achievements of the above objective and thus create the awareness in the public about the improved environment of these neighbourhoods.

Local incentives could be provided to multiply the investments made under this grant, thus providing sustainability in the revitalisation of Nicosia neighbourhoods.

It was agreed between the European Commission and the Republic of Cyprus that this component will be implemented according to the rules fixed in 1999 in the “Agreement between the United Nations and the European Community on the principles applying to the financing or co-financing by the community of programmes and projects administered by the United Nations”.

**Conditionality:** The visibility of the EU financing of the project will have to be ensured via specific measures to be funded out of the project itself.

**Bi-communal project 2 – Enhancement of the links between Trade Unions in Cyprus and development of common understanding of EU issues in the area of employment and social affairs**

The objective of the assistance is to contribute to the reconciliation of the two Cypriot communities by the enhancement of the links between trade unions of both communities, and at the same time to prepare Cyprus for accession by developing a common understanding of EU issues in the area of employment and social affairs.

This will be realised through the following type of activities:

- Workshops and training sessions on EU issues in the field of employment and social affairs, and development of common approaches to employment problems faced.
- Study visits to relevant EU services
- Provision of access to information and liaison facilities facilitating participation in EU programmes, and encouraging joint proposals by Greek and Turkish Cypriots.
- Seminars

**Conditionality:** This project will have to be closely linked and co-ordinated with the other project on employment and social affairs part of this proposal (see Objective 3 above). The DIS rules for management of grant-schemes will be followed.

**Bi-communal project 3 – Communication Strategy**

The objective of this strategy is to improve public knowledge and understanding of the EU in Cyprus, to explain to both communities the implications of accession, and to explain the link between the pace of preparations for membership and the progress of the negotiations.

This will be realised through the following type of activities, to be held jointly whenever possible:

- Evaluation of awareness and understanding of EU issues; identification of information needs and gaps
- Euro-bus operation; EU information fair; Newsletter; Press conferences and releases; database and website; brochures
- Conferences, seminars, training, visits, promotional items, quiz
• Media relations operations
• Information centre and relay point

☐ Two further types of activities are covered by this proposal.

- Participation in Community programmes and agencies (Leonardo II, Socrates II, Youth, European Environment Agency)

The objective is to enable Cyprus to become better acquainted with Community institutions, policies, working methods and procedures in a wide range of areas, which will facilitate the integration of the country into the European Union.

In order to participate in these programmes and agencies, Cyprus has to pay each year a financial contribution, which is established in specific agreements with the Community. On the basis of the pre-accession strategy for Cyprus and Malta adopted by the Council, Cyprus expressed its wish to use part of the pre-accession funds allocated in 2001 as a complement to its national budget part to finance its contribution as entry ticket in 2002. The funds will therefore contribute to co-finance the “entry-ticket” of Cyprus for the Leonardo II, Socrates II, and Youth programmes, as well as the participation in the European Environmental Agency, for the year 2002.

- Reinforcement of the Administrative Capacity: Monitoring and Assessment

The aim is to perform monitoring and assessment reports to ensure that programmes are seen to deliver those objectives for which they were designed ensuring sustainability and impact. This through locally based monitoring of programmes and an independent and external assessment as a complementary activity. The latter is limited in time to allow for the development of a local capability which will have similar responsibility later, after accession, for Structural Funds.

The immediate objectives are to provide programme management with clear information and assessment of on-going programmes, which will allow for greater transparency of the implementation phase, and, using recommendations made, lead to efficient management and ensure stated objectives are achieved and the connected acquis communautaire absorbed and to ensure that members of the local joint or sectoral monitoring committees to be set up in Cyprus base their recommendations on professional and independent expertise.

The activities performed will include among others:
• Sectoral Assessment reports;
• Consolidated monitoring and assessment sectoral reports for the monitoring committees meetings;
• Ad-hoc assessment reports
• Interviews and field visits to assess the information contained in the Monitoring reports and other sources;

All investment projects, which, according to the rules stipulated in Directive 85/337/CEE, as amended by Directive 97/11, require an Environmental Impact Assessment, should be the subject of an Environmental Impact Assessment. If the directive has not yet been fully
transposed, the procedure should be similar to that established by the above-mentioned directive. All investment projects shall be carried out in compliance with the relevant Community environmental legislation. The Project Fiches will contain specific clauses on compliance with the relevant EU-legislation in the field of the environment according to the type of activity carried out under each investment project.

2. Budget

The following table specifies the EU contribution to the programme:

<table>
<thead>
<tr>
<th>Programme/Project</th>
<th>Budget in MEUR</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>L.Building</td>
</tr>
<tr>
<td>01 Environment</td>
<td>1,600</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0,450</td>
<td>0,050</td>
</tr>
<tr>
<td>02 Internal Market</td>
<td>0,100</td>
<td>0,900</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0,500</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0,600</td>
</tr>
<tr>
<td></td>
<td>1,670</td>
<td>0,160</td>
</tr>
<tr>
<td>03 Employment and Social Affairs</td>
<td>0,050</td>
<td>0,550</td>
</tr>
<tr>
<td>04 Bi-Communal Projects</td>
<td>3,000</td>
<td>0,300</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0,300</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0,200</td>
</tr>
<tr>
<td>05 Participation in Community Programmes and Agencies</td>
<td>0</td>
<td>0,920</td>
</tr>
<tr>
<td>06 Reinforcement of the administrative capacity: Monitoring and Assessment</td>
<td>0</td>
<td>0,150</td>
</tr>
<tr>
<td>TOTAL</td>
<td>6,810</td>
<td>4,690</td>
</tr>
</tbody>
</table>

3. Implementation arrangements

The programme will be managed according to the decentralised procedures agreed with Cyprus through the Memorandum of Understanding for the National Fund, and the Commission Procedures on DIS/EDIS (Decentralised Implementation System / Extended DIS).
The exceptions to these procedures will be: the bi-communal projects (the Nicosia Master Plan, contracted by the Commission under the rules agreed with United Nations, and the Communication Strategy project, managed directly by the Commission Services), the participation to Community programmes and Agencies, and the Monitoring and Assessment project.

The National Aid Co-ordinator (NAC) will have overall responsibility for providing the input of the Republic of Cyprus to the programming process, supervision of implementation, monitoring and assessment of the pre-accession programmes.

The National Fund (NF), in the Ministry of Finance, headed by the NAO, will supervise the financial management of the programme, and will be responsible for reporting to the European Commission. The NAO shall have overall responsibility for financial management of the EU funds. He shall ensure that the DIS/EDIS rules, regulations and procedures pertaining to procurement, reporting and financial management, as well as Community State aid rules, are respected, and that a proper reporting and project information system is functioning (as mentioned in the MoU on the NF). The NAO shall have the full overall accountability for the EU funds of a programme until the closure of the programme.

appropriate financial control shall be carried out by the competent National Control Authority with respect to the implementation of the programme.

The Commission will transfer funds to the NF in accordance with the Memorandum of Understanding to be signed between the Commission and the Republic of Cyprus. Funds will be transferred following requests from the NAO.

A distinction should be made between the payments concerning the participation in community programmes and agencies and the payments concerning the other sub-programmes. However, only 1 bank account will be opened at the National Fund.

I / Community programmes and agencies:

A single advance will be made to the National Fund to cover the full amount of the EU contribution to the EU part of the financial contribution for participation in Community programmes and agencies. This advance will be made, following signature of the Financing Memorandum and upon request from the National Fund.

This advance is separate from the advances made for the rest of the programme. However, it should be noted that the EU contribution for the Agency will only be transferred after the entry into force of the Decision, establishing the terms and conditions for participation in that Agency. If there is a delay in the entry into force of some of the Agreement concerning the participation of Cyprus to the European Environment Agency, the payment to the National Fund maybe divided into two or more tranches, so that 100% of the funds necessary for the programmes Socrates, Leonardo and Youth can be transferred immediately.

The National Fund will be responsible for transferring the funds back to the Commission, following the call for funds of the Commission's Directorate General responsible for the programmes concerned and within the deadlines requested.

Concerning payments for the other sub-programmes, the procedures set out in the MoU on the establishment of the National Fund signed between the Republic of Cyprus and the Commission will apply.
2/ Other sub-programmes

A payment of up to 20% of the funds to be managed locally* will be transferred to the NF following signature of the Financing Memorandum and the Financing Agreements (FAs) between the NF and the Implementing Agencies (IAs)/Central Finance and Contracts Unit (CFCU) if applicable. The provisions foreseen in the relevant articles of the MoU on the NF must also be met. Furthermore, the NAO must submit to the Commission the designation of the P AOs and a description of the system put in place, highlighting the flow of information between the NF and the IA/CFCU and the manner in which the payment function will be carried out.

Four Replenishments will be made of up to 20% of the funds to be managed locally* or the full balance of the budget whichever is the lesser amount. The first replenishment will be triggered when 10% of the budget* has been disbursed by the IAs and the CFCU. The second replenishment may be requested when 30% of the total budget* in force has been disbursed. The trigger point for the third replenishment is 50%, and for the final fourth instalment when 70% is disbursed*. Save for express prior authorisation from the Commission HQs, no replenishment request may be made if the aggregate of the funds deposited in the NF and the IAs exceeds 10% of the total budget in force of the commitment. Exceptionally the NAO may request an advance payment of more than 20% in accordance with the procedures laid down in the aforesaid Memorandum of Understanding.

Implementing Agencies will be responsible for sub-programmes as follows:

<table>
<thead>
<tr>
<th>Environment</th>
<th>Ministry of Agriculture, Natural Resources and Environment, Water Development Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of the Akamas forest</td>
<td>Ministry of Agriculture, Natural Resources and Environment, Department of Forests</td>
</tr>
<tr>
<td>Internal Market:</td>
<td></td>
</tr>
<tr>
<td>- Measures to Develop further the Operational Capacity of the Cyprus VAT service.</td>
<td>M. Of Finance, Customs and Excise Department, VAT Service</td>
</tr>
<tr>
<td>- Measures to Develop further the Operational Capacity of the department of customs and excise.</td>
<td>M. Of Finance, Customs and Excise Department</td>
</tr>
<tr>
<td>- Capacity building for accreditation and the new approach directives.</td>
<td>Ministry of Commerce, Industry and Tourism</td>
</tr>
<tr>
<td>- Upgrading of the state laboratories a) upgrading the state general laboratory,</td>
<td>a) Ministry of Health, State General Laboratory</td>
</tr>
<tr>
<td>b) upgrading the veterinary laboratories</td>
<td>b) Ministry of Agriculture, Natural Resources and Environment, Veterinary Laboratories Section</td>
</tr>
</tbody>
</table>

The National Fund will transfer funds to IAs, including the Central Financing and Contracting Unit (CFCU) if any, in accordance with Financing Agreements (FAs) signed excluding the amount foreseen for the community programmes.
between the NFs and the IAs/CFCU where applicable. Each individual FA will be endorsed in advance by the European Commission. In cases where the NF is itself the paying agent for the CFCU/IA there will be no transfer of funds from the NF to the CFCU/IA. The CFCU and the IAs must each be headed by a Programme Authorising Officer (PAO) appointed by the NAO after consultation with the NAC. The PAO will be responsible for all the operations carried out by the relevant CFCU/IA.

The amounts earmarked for twinning projects (envisaged for the project on “Capacity building for accreditation and the new approach directives”) will cover the eligible costs (as set down in the DIS instructions) for implementing the work plan agreed between the Member State and the Applicant Country. The eligible costs may include costs incurred by the selected Member State during the preparation of the twinning covenant in the period between signature of the Financing Memorandum and the final notification of the financing approval of the covenant.

A separate bank account, denominated in EURO will be opened and managed by the NF in a separate accounting system in the Central Bank. In principle, all bank accounts will be interest bearing. Interest will be reported to the European Commission. If the Commission so decides, on the basis of a proposal from the NAO, interest may be reinvested in the Programme. The same procedures will apply to any funds transferred to an IA or the CFCU.

The NAO and the PAOs will ensure that all contracts are being prepared in accordance with the procedures set out in the DIS Manual.

All contracts must be concluded by 30th September 2003. All disbursements must be made by 30th September 2004. The Commission will recover any funds not used by the expiry date of the programme.

4. Monitoring and Assessment

The Monitoring and Assessment operations will follow the procedures defined under the DIS system (and if need be, adapted to the case of EDIS).

5. Anti-fraud measures, Audit and Evaluation

All financing Memoranda as well as the resulting contracts are subject to supervision and financial control by the Commission (including the European Anti-fraud Office, OLAF), and the Court of Auditors. This includes measures such as ex-ante verification of tendering and contracting carried out by the Commission for the Candidate Country concerned (DIS), and on-the-spot checks. In order to ensure efficient protection of the financial interests of the Community, the Commission can conduct check-ups and inspections on site, in accordance with the procedures foreseen in Council Regulation (Euratom, EC) N° 2185/96⁎, concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities.

The procedures foreseen in Art.15 par. 3 of the Commission Regulation N° 2222/2000 dated from June 7, 2000, on the communication in case of irregularities and the putting in place of a system to administrate the information in this field shall apply.

The accounts and operations of the National Fund and all relevant Implementing Agencies may be checked at the Commission’s discretion by an outside auditor contracted by the Commission without prejudice to the responsibilities of the Commission and the European Community’s Court of Auditors, as referred to in the General Conditions relating to Financing Memoranda attached to the Framework Agreement.

The Commission services shall ensure that an ex-post evaluation is carried out after completion of the Programme.

6. Visibility/Publicity

The appropriate Programme Authorising Officer will be responsible for ensuring that the necessary measures are taken to ensure appropriate publicity for all activities financed from the programme. This will be done in close liaison with the Commission Delegation. Further details are at the Annex ‘Visibility / Publicity’.

7. Special conditions

7.1 In the event that agreed commitments are not met for reasons which are within the control of the Government of Cyprus, the Commission may review the programme with a view, at the Commission’s discretion, to cancelling all or part of it and/or to reallocate unused funds for other purposes consistent with the objectives of the programme.

7.2 It is the intention of the Commission to extend decentralisation fully to candidate countries as soon as possible, in order to familiarise them with the joint responsibility principles that underpin the implementation of the Structural Funds. The possibility of full-decentralisation is foreseen in Regulation No 555/2000, which stipulates in Article 7, §4:

“The Commission may decide, on the basis of a case-by-case analysis of national and sectorial programme/project management capacity, financial control procedures, and structures regarding public finance, to waive the ex-ante approval requirement referred to in §3 and confer on implementing agencies in applicant countries management of aid on a decentralised basis. Such a waiver shall be subject to:

a) the minimum criteria for assessing the ability of implementing agencies in applicant countries to manage aid an minimum conditions applicable to such agencies set out in the annex to this regulation;

b) and specific provisions concerning, inter alia, invitations to tender, scrutiny and evaluation of tenders, the award of contracts, and the implementation of community public procurement directives which shall be laid down in financing agreements with each beneficiary country.”

Prior to the implementation of the projects, the Commission together with the competent Cypriot authorities will review the structures and procedures set up by the Cypriot government for the Decentralised Implementation of the programme (NAC, NF, NAO, IAs, Audit function). If the structures and procedures meet the Commission criteria referred to in Council Regulation No (EC) 555/2000, the Commission may decide to waive the ex-ante approval requirement, for projects others than the bi-communal operations.
ANNEX C
INFORMATION AND PUBLICITY FOR THE MALTA & CYPRUS PRE-ACCESSION PROGRAMMES OF THE EUROPEAN COMMUNITIES

1. Objective and scope

Information and publicity measures concerning assistance from the European Community Malta & Cyprus pre-accession Programmes are intended to increase public awareness and transparency of EU action and to create a consistent image of the measures concerned in all applicant countries. Information and publicity shall concern measures receiving a contribution from the Malta & Cyprus pre-accession Programmes.

2. General principles

The appropriate Programme Authorising Officer in charge of the implementation of Financing Memoranda, and other forms of assistance shall be responsible for publicity on the spot. Publicity shall be carried out in cooperation with the EC Delegations, which shall be informed of measures taken for this purpose.

The competent national and regional authorities shall take all the appropriate administrative steps to ensure the effective application of these arrangements and to collaborate with the EC Delegations on the spot.

The information and publicity measures described below are based on the provisions of the regulations and decisions applicable to the Structural Funds. They are:


Information and publicity measures must comply with the provisions of the above mentioned regulation and decision. A manual on compliance is available to national, regional and local authorities from the EC Delegation in the country concerned.

3. Information and publicity concerning Malta & Cyprus pre-accession programmes

Information and publicity shall be the subject of a coherent set of measures defined by the competent national, regional and local authorities in collaboration with the EC Delegations for the duration of the Financing Memorandum and shall concern both programmes and other forms of assistance.
The costs of information and publicity relating to individual projects shall be met from the budget for those projects.

When Malta & Cyprus pre-accession programmes are implemented, the measures set out at (a) and (b) below shall apply:

(a) The competent authorities of the applicant countries shall publish the content of programmes and other forms of assistance in the most appropriate form. They shall ensure that such documents are appropriately disseminated and shall hold them available for interested parties. They shall ensure the consistent presentation throughout the territory of the applicant country of information and publicity material produced.

(b) Information and publicity measures on the spot shall include the following

(i) In the case of infrastructure investments with a cost exceeding EUR million:

- billboards erected on the sites, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

- permanent commemorative plaques for infrastructures accessible to the general public, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

(ii) In the case of productive investments, measures to develop local potential and all other measures receiving financial assistance from Malta & Cyprus pre-accession programmes:

- measures to make potential beneficiaries and the general public aware of Malta & Cyprus pre-accession programmes' assistance, in accordance with the provisions cited at paragraph 3(b)(i) above.

- measures targeting applicants for public aids part-financed by Malta & Cyprus pre-accession programmes through an indication on the forms to be filled out by such applications, that part of the aid comes from the EU, and specifically, the Malta & Cyprus pre-accession Programmes in accordance with the provisions outlined above.
.4. Visibility of EU assistance in business circles and among potential beneficiaries and the general public

4.1 Business circles

Business circles must be involved as closely as possible with the assistance which concerns them most directly.

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to potential beneficiaries, particularly SMEs. These should include an indication of the administrative procedures to be followed.

4.2 Other potential beneficiaries

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to all persons who benefit or could benefit from measures concerning training, employment or the development of human resources. To this end, they shall secure the cooperation of vocational training bodies involved in employment, business and groups of business, training centres and non-governmental organisations.

Forms

Forms issued by national, regional or local authorities concerning the announcement of, application for and grant of assistance intended for final beneficiaries or any other person eligible for such assistance shall indicate that the EU, and specifically the Malta & Cyprus pre-accession Programmes, is providing financial support. The notification of aid sent to beneficiaries shall mention the amount or percentage of the assistance financed by the Malta & Cyprus pre-accession Programmes. If such documents bear the national or regional emblem, they shall also bear the EU logo of the same size.

4.3 The general public

The media

The competent authorities shall inform the media in the most appropriate manner about actions co-financed by the EU, and Malta & Cyprus pre-accession programmes in particular. Such participation shall be fairly reflected in this information.

To this end, the launch of operations (once they have been adopted by the Commission) and important phases in their implementation shall be the subject of information measures, particularly in respect of regional media (press, radio and television). Appropriate collaboration must be ensured with the EC Delegation in the applicant country.
The principles laid down in the two preceding paragraphs shall apply to advertisements such as press releases or publicity communiqués.

Information events

The organisers of information events such as conferences, seminars, fairs and exhibitions in connection with the implementation of operations part-financed by the Malta & Cyprus pre-accession Programmes shall undertake to make explicit the participation of the EU. The opportunity could be taken of displaying the European flags in meeting rooms and the EU logo upon documents depending on the circumstances. The EC Delegation in the applicant country shall assist, as necessary, in the preparation and implementation of such events.

Information material

Publications (such as brochures and pamphlets) about programmes or similar measures financed or co-financed by Malta & Cyprus pre-accession programmes should, on the title page, contain a clear indication of the EU participation as well as the EU logo where the national or regional emblem is used.

Where such publications include a preface, it should be signed by both the person responsible in the applicant country and, for the Commission, the Delegate of the Commission to ensure that EU participation is made clear.

Such publications shall refer to the national and regional bodies responsible for informing interested parties.

The above-mentioned principles shall also apply to audio-visual material

5. Special arrangements concerning billboards, commemorative plaques and posters

In order to ensure the visibility of measures part-financed by the Malta & Cyprus pre-accession Programmes, applicant countries shall ensure that the following information and publicity measures are complied with:

Billboards

Billboards providing information on EU participation in the financing of the investment should be erected on the sites of all projects in which EU participation amounts to EUR 1 million or more. Even where the competent national or regional authorities do not erect a billboard announcing their own involvement in financing the EU assistance must nevertheless be announced on a special billboard. Billboards must be of a size which is appreciable to the scale of operation (taking into account the amount of co-financing from the EU) and should be prepared according to the instructions contained in the technical manual obtainable from EC Delegations, referred to above.
Billboards shall be removed not earlier than six months after completion of the work and replaced, wherever possible, by a commemorative plaque in accordance with the specifications outlined in the technical manual referred to above.

Commemorative plaques

Permanent commemorative plaques should be placed at sites accessible to the general public (congress centres, airports, stations, etc.). In addition to the EU logo, such plaques must mention the EU part-financing together with a mention of the Malta & Cyprus pre-accession Programmes.

Where a national, regional or local authority or another final beneficiary decides to erect a billboard, place a commemorative plaque, display a poster or take any other step to provide information about projects with a cost of less than EUR 1 million, the EU participation must also be indicated.

6. Final provisions

The national, regional or local authorities concerned may, in any event, carry out additional measures if they deem this appropriate. They shall consult the EC Delegation and inform it of the initiatives they take so that the Delegation may participate appropriately in their realisation.

In order to facilitate the implementation of these provisions, the Commission, through its Delegations on the spot, shall provide technical assistance in the form of guidance on design requirements, where necessary. A manual will be prepared in the relevant national language, which will contain detailed design guidelines in electronic form and this will be available upon request.