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 Czech Republic, 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 is set out in the General Conditions annexed to the Framework Agreement of 5th August 1997 between THE COMMISSION and THE RECIPIENT, 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:

Programme Number: CZ0012
Title: 2000 Phare Cross-Border Co-operation Programme for the Czech Republic-Germany
Duration: Until 31/10/2002

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of 10 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 31/10/2002 (Expiry Date for Contracting) subject to the provisions of his 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 31/10/2004 (Expiry Date for Disbursements1). 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

1 Expiry Date for Disbursements should be set out at maximum 36 months after signature of the FM.
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:

*European Commission Delegation in the Czech Republic*
*Pod Hradbami 17*
*160 00 Praha 6*
*Czech Republic*
*Tel: +4202-2431 2835*
*Fax: +4202-2431-2850*

for THE RECIPIENT:

*Ministry of Finance of the Czech Republic*
*National Aid Co-ordinator,*
*Letenska 15*
*118 10 Praha 1*
*Czech Republic.*

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 Prague
Date 15/12/00

for THE RECIPIENT

Jan Mladek
The Deputy-Minister of Finance
of the Czech Republic

Encl.
1. Framework Agreement (Annexes A & B)
2. Special Provisions (Annex C)
3. Visibility/Publicity (Annex D)

Done at Prague
Date 13/12/00

for THE COMMUNITY

Ramiro Cibrian
Head of the Commission Delegation
ANNEX C – SPECIAL PROVISIONS

4. PROGRAMME OBJECTIVES AND DESCRIPTION

4.1 Programme Objectives

4.1.1 General Objectives

The general objective of the Phare cross border co-operation programme (Article 3, Commission Regulation No. 2760/98) is to promote co-operation of border regions in Central and East European Countries with adjacent regions in a neighbouring country. The programme seeks to help these regions overcome specific development problems resulting, inter alia, from their relative isolation in the framework of national economics, in the interest of the local population and in a manner compatible with the protection of the environment; it also supports the establishment and development of co-operative networks on either side of the border and the creation of linkages between these networks and wider Community networks.

4.1.2 Specific Objectives

More specifically, the objectives of the 2000 Czech-German Phare CBC Programme are:

- to support the Czech Republic’s transformation process and to facilitate the process of integrating the Czech Republic into the European Union;
- to support the further development of the economic potential of border regions by strengthening existing structures, increasing the competitiveness of Czech enterprises, and reviving the overall economy on both sides of the border;
- to overcome problems burdening the border areas, including pollution of the environment that has an impact on both sides of the border;
- to reduce the peripheral character of these areas, thereby improving the quality of life and creating a co-operative network on both sides of the border.

4.2 Programme Description

In accordance with the draft Joint Programming Document, projects addressing the following priorities have been selected:

- Environment
- Transport infrastructure
- Small scale-technical infrastructure
- Socio-economic development (people-to-people and institution building)

The 2000 programme includes allocations for four large infrastructure projects in the environmental and transport areas, a Joint Small Projects Fund and a Programme Management allocation, which excludes operating costs. These six projects were selected by the JCC as priority projects from a larger number of suitable proposals. All projects will be co-financed from Czech sources. The Joint Co-operation Committee discussed and agreed on the programme in May 2000. The criteria for project selection include the cross-border impact of projects (including their complementarity with INTERREG III A), methods of project co-financing, project impact on the environment and minimum project size. An initial screening has been carried out to assess the programme’s effect on Small and Medium Enterprises. As a result, a fuller assessment is not
required. The implementation of the Joint Small Projects Fund will contribute indirectly to the creation and growth of small and medium sized businesses. Also the improvement of basic municipal infrastructure – as a prerequisite for the establishment of new or the expansion of existing businesses – supports economic development including the growth of SMEs. The projects are attached in fiche format in annex to this document.

4.2.1 Liberec-Kunratice – relocation of road I/14 – CZ0012.01

The aim of this project is to improve the traffic flow in the border area Southeast Saxony/Zittau-Hradek n. N. – Liberec-Jablonec-Krkonoše. The town of Liberec is the centre and traffic junction of the region. The existing road I/14 between two city centres of Liberec and Jablonec nad Nisou has an important share in passenger transportation, with the majority of visitors from Germany and other countries passing through on the way to the major recreational area of Krkonose. Road I/14 is limited in its capacity and is technically not equipped to meet the requirements for anticipated growth of traffic volumes.

The project consists of the relocation of road I/14 in the town of Liberec. The relocation, on a new alignment is 4,850 km long and of category S22.5/80. The road relocation begins in the vicinity of the railway station in Liberec, at the junction with road I/35, through the town of Liberec and ends at a junction with Kunratice Street. Phare CBC programmes have already contributed to the improvement of this important road connection in the Nisa border region. Phare CBC 1996 and 1997 co-financed the construction of a bypass road for Hradek nad Nisou.

4.2.2 Ohre-Labe – improvement of transport infrastructure – CZ0012.02

This project consists of three sub-projects, the main element of the project being the reconstruction of the hydro-engineering structure at the Nechranice dam on the River Ohre.
- Reconstruction at Nechranice dam: this measure aims to increase flood-protection in the river basins of the Ohre and the Labe/Elbe and to improve navigation on the Labe/Elbe international waterway. The reconstruction works involve lowering the fixed spillway and the installation of a segmental gate, thereby improving the protective and regulatory function of this hydro-engineering structure for the entire lower river basin.
- Biological regeneration of the River Ohre: this sub-project will involve the construction of cellular fish “ladders” at three locations at the Ohre River - Terezin (km 2,63), Hostenice (km 13,72) and Lobocany (km 90,85) - and the protection of river pearl-oyster species and freshwater mussels by means of maintenance of meander patterns in watercourses and removal of any potential sources of pollution through both technical and biological measures.
- Improvement of water quality in the River Ohre – protection against bed-loads: this sub-project involves the excavation of sediment, cleaning of stream banks from vegetation, removal of any fences from the flow profile of the river beds. In addition, repairs to stonework retaining/training walls in the urban residential area, redevelopment of the drainage area against bed-loads, including sediment retaining gravel mini-dams on two of the Ohre’s tributary streams are also covered.

4.2.3 Perninsky Vrch – integrated environmental infrastructure – CZ0012.03

The project involves the build up of a sewage drainage system in the municipalities of Horní Blatna and Perník, a common waste water treatment plant in Perník, and a gas supply introduction in the municipality of Nove Hamry. This, in turn, will facilitate the development of
tourism and agro-tourism by improving the relevant services to the level comparable with the standards common at the German side of the border.

In order to eliminate untreated wastewater from the Blatensky stream, which has been polluting the waters of the Schwarzwasser stream on German side of the border, a piped sewerage system in the municipalities of Horni Blatna and Penink will be built, and a communal wastewater treatment plant for both municipalities will be constructed in Pernink. All buildings in the relevant municipalities will be connected to these systems.

For essential reduction of air pollution at the border area the natural gas will be introduced in the Nove Hamry municipality. The gas supply pipeline to Nove Hamry will be an extension of the existing medium pressure (MP) pipeline from Pernink. The network design will ensure gas supply in sufficient quantities for all 325 buildings (private residential, businesses, public buildings) in the municipality. Standards set by the relevant water and air quality Directives will be respected for this project.

4.2.4 Chodska Liga – waste water treatment plant – CZ0012.04

The aim of this project is to eliminate the discharge of untreated sewage into watercourses and improve and protect water quality in border rivers in the micro-region of Chodsko, and thereby contribute to its economic development.

The project is divided into two parts. Within the first part, a new sewerage network and a wastewater treatment plant in Klenci will be built for the municipalities of Klenci, Trhanov and Chodov. Within the second part, the sewerage network for Postrekov, Dily, Kramolin and Parezov will be built, with wastewater treatment plant in Postrekov. The sewerage network in more distant, and in terms of general pollution less important localities, will be completed and any adjacent administratively relating localities will be connected. The relevant urban wastewater treatment Directive will be respected for this project.

4.2.5 Joint Small Projects Fund (JSPF) – CZ0012.05

The Joint Small Projects Fund (JSPF) supports the key objectives of the Czech-German CBC Programme, namely to help the Czech-German border regions to establish and strengthen joint and sustainable structures for the social and economic development and for the improvement of living conditions in the common border region as a whole. The JSPF supports also the development of co-operative networks on both sides of the border between people, organisations and institutions, and the creation of linkages between these networks and wider European Union networks. The purpose of the support of these projects is to broaden the field of activity of the CBC programme, to encourage local involvement and to facilitate the implementation of small-scale actions, which may constitute the basis for larger cross-border co-operation projects. The JSPF aims also at the building and developing of specialist resources of local and regional institutions involved in regional development, groundwork and implementation of cross-border projects in line with EU practice.

The projects under the JSPF shall support local and regional development across the border through small-scale activities in the fields mentioned in Article 5.1 a) to n) of the Commission Regulation No. 2760/98 of 18 December 1998. Special attention will be given to measures with a strong cross-border cooperation character which are planned in close cooperation between the regional and local authorities in the border areas and which include the establishment or
development of shared management structures intended to widen and deepen cross-border cooperation between public and para-public agencies as well as non-profit organisations. The projects shall support development in particular in the fields of small-scale people-to-people activities across the border, social and economic development including tourism and the improvement of small-scale infrastructure. The specific JSPF objectives in the Czech Republic are in accordance with regional priorities as developed in the JPD: economic development through business cooperation, enterprise development and cooperation between institutions representing the business sector; development of tourism; improvement of basic technical infrastructures, which have posed significant problems to small municipalities or settlements in the border region; intensification of co-operation between the communities on either side of the border with a view to joint improvement of economic development, living conditions and on-going contact; encourage local involvement in the Phare CBC Programme and to support small-scale actions which may form the basis for larger cross-border co-operation projects: the development of cultural co-operation between neighbouring regions on both sides of the border; cross-border youth activities. Thereby, joint projects, especially where cofinanced with Interreg III, will be particularly prioritised. Thus the JSPF will become an important complementary instrument to pursue the full range of objectives and priorities established by the JPD, in particular of those that cannot be achieved by large investment measures.

The maximum grant per project is for all categories 300,000 Euro. As for people-to-people and other soft projects, the minimum grant is 1,000 EUR and the beneficiary’s cofinancing contribution to the project is min. 10% of the budgeted project cost. For small-scale infrastructure works, the minimum grant has been set at 10,000 Euro and the minimum cofinancing contribution of the project beneficiary is 25% of the total project cost.

The Phare contribution may finance indirect (overhead) costs of individual grant beneficiaries up to 7% of total amount of direct eligible costs.

The JSPF will be implemented in accordance with the Commission Regulation 2760/98, the General Guidelines of the Commission for Small Projects Funds, the Phare Guidelines and draw on the Czech Guidelines for the SPF, endorsed by the European Commission. The JSPF will operate under joint Czech-German project selection and monitoring structures; financial administration and project management remain separate. People-to-people and other soft projects up to 15,000 Euro Phare CBC contribution will be selected by five joint regional Steering Committees on the basis of Euroregions (Nisa, Labe/Elbe, Krušne Hory, Egrensis, and Sumava). These committees will also decide on small people-to-people Interreg projects under the Saxon Interreg III programme. All small-scale infrastructure projects and soft projects with a Phare CBC contribution exceeding 15,000 Euro will be selected by the two Joint Czech-Bavarian and Czech-Saxon Regional Committees that will also function as the Steering Committees for the corresponding Bavarian and Saxon Interreg III A programmes. The overall responsibility for the implementation of the JSPF will be retained by the Implementing Agency identified in Section 6.

4.2.6 Programme Management – CZ0012.06

This project aims to contribute to the development and strengthening of an effective implementation structure for the programme. The medium and longer term objective is to support the creation and further development of a competent and sustainable Czech Government institution as well as of regional structures for the implementation of public programmes in support of regional policies and development. The project will provide for technical assistance inputs for programme preparation and contribute to the further development and strengthening of joint implementation and monitoring structures in particular.
Where applicable, an environmental impact assessment according to the EU Environmental Impact Assessment Directive (85/337/EEC as amended by 97/11/EC) will be carried out for all investment projects.

5. **Budget**

The total financial commitment under the **Phare CBC Programme 2000 Czech Republic - Germany** in support of the projects described in section 4 above amounts to **10 MEUR**, as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>Projects</th>
<th>Total Cost (M€)</th>
<th>Phare Allocation PL (M€)</th>
<th>CZ co-financing Allocation CZ (M€)</th>
<th>Indicative Split (M€) Between IB / Inv.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CZ0012.01</td>
<td>Liberec-Kunratice road</td>
<td>11.0</td>
<td>2.00</td>
<td>9.00</td>
<td>2.00</td>
</tr>
<tr>
<td>CZ0012.02</td>
<td>Ohre-Labe ecology</td>
<td>2.69</td>
<td>2.00</td>
<td>0.69</td>
<td>2.00</td>
</tr>
<tr>
<td>CZ0012.03</td>
<td>Perninsky Vrch env. Infrastructure</td>
<td>3.19</td>
<td>2.00</td>
<td>1.19</td>
<td>2.00</td>
</tr>
<tr>
<td>CZ0012.04</td>
<td>Chodiska Liga WWTP</td>
<td>3.10</td>
<td>2.00</td>
<td>1.10</td>
<td>2.00</td>
</tr>
<tr>
<td>CZ0012.05</td>
<td>JSPF</td>
<td>2.54</td>
<td>1.90</td>
<td>0.64</td>
<td>0.70</td>
</tr>
<tr>
<td>CZ0012.06</td>
<td>Programme Management</td>
<td>0.13</td>
<td>0.10</td>
<td>0.03</td>
<td>0.10</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>22.65</strong></td>
<td><strong>10</strong></td>
<td><strong>12.65</strong></td>
<td><strong>0.80</strong></td>
</tr>
</tbody>
</table>

6. **IMPLEMENTATION ARRANGEMENTS**

The programme will be managed in accordance with the Phare Decentralised Implementation System (DIS) procedures. The National Aid Co-ordinator (NAC) will have overall responsibility for programming, monitoring and implementation of Phare programmes.

A National Fund (NF) in the Ministry of Finance, headed by the National Authorising Officer (NAO), will supervise the financial management of the Programme, and will be responsible for reporting to the European Commission. Appropriate financial control shall be carried out by the competent National Financial 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 signed between the Commission and the Government of the Czech Republic on 12 October 1998. Funds will be transferred following requests from the NAO. A payment of up to 20% of the funds to be managed locally will be transferred by the EC to the NF following signature of the Financing Memorandum and the Financing Agreement (FA) between the NF and the Implementing Agency (IA). The provisions foreseen in articles 2 and 13 of the MoU on the NF
must also be met. Furthermore, the NAO must submit to the Commission the designation of the PAO and the description of the system put in place, highlighting the flow of information between the NF and the IA 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 total budget has been disbursed by the IA. 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 HQ, no replenishment request may be made if the aggregate of the funds deposited in the NF and the IA 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.

The Ministry for Regional Development in conjunction with its Centre for Regional Development will be the IA for the Programme.

The NF will transfer funds to the IA in accordance with the Financing Agreement (FA) signed between the NF and the IA. Each individual FA will be endorsed in advance by the European Commission. In cases where the NF is itself the paying agent for the IA there will be no transfer of funds from the NF to the IA. The IA will be headed by a Programme Authorising Officer (PAO) nominated by the Minister for Regional Development and appointed by the NAO after consultation with the NAC. The PAO will be responsible for all the operations carried out by the IA.

A separate bank account, denominated in EUR 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 the IA.

The NAO and the PAO will ensure that all contracts are prepared in accordance with the procedures set out in the DIS Manual if not otherwise stated in the Financing Memorandum. The project as described under point 4.2.5 (JSPF-CZ0012.05) will be implemented in accordance with the General Guidelines of the Commission for Small Projects Funds and with the Czech Guidelines for the SPF endorsed by the Commission.

Taking into account the characteristics of the small-scale infrastructure projects and their cofinancing nature, the tendering and contracting of the works for these projects as described under point 4.2.5 will be carried out by the recipient in accordance with the Czech Procurement Law together with the following additional conditions which must be observed:

- All contracts of an expected total value exceeding 50,000 EUR must be awarded following an open tendering procedure;
- Every such open tender will be announced in the local press, including a publication in a European Union language newspaper issued in the Czech Republic;
- The Phare Programme rules of eligibility and origin must be complied with which means that companies must be registered in an European Union Member State or a Phare beneficiary country, and all goods supplied must have a certificate of origin to state that the goods were manufactured in an European Union Member State or a Phare beneficiary country.
All funds must be contracted by 31 October 2002. All disbursements must be made by 31 October 2004. Any funds not used by the expiry date of the programme will be recovered by the Commission.

The final deadline for signature of contracts is 31 October 2002. However, in order to ensure that projects are implemented as quickly as possible, all tender dossiers (or, where applicable, requests for services or contract dossiers) must be submitted to the Commission within 6 months of signature of the FM. Any project for which the relevant documents are not submitted within the deadline specified will be cancelled and the money made available for reallocation. (This final deadline does not apply to project 4.2.6 Programme Management; dossiers to draw on these funds will be submitted as and when appropriate for the duration of the contracting period, i.e. until 31 October 2002.) If funds are reallocated to a new project, the tender dossier (or other documents as applicable) must be submitted to the Commission within 3 months of the re-allocation decision or by 31 May 2002, whichever is the earlier. The legal duration of all projects will expire by 31 October 2004. Any funds not used by the expiry date of the programme will be recovered by the Commission.

All tender dossiers (or other documents as applicable) must be accompanied by a logframe matrix, in order to demonstrate the relevance, feasibility and sustainability of the final project design.

For those contracts with funds retained for a warranty period extending beyond the end of the disbursement period of the programme, the overall total of funds related to those contracts, as calculated by the PAO and established by the Commission, will be paid to the Implementing Agency before the official closure of the programme. The Implementing Agency assumes full responsibility of depositing the funds until final payment is due and for ensuring that said funds will only be used to make payments related to the retention clauses. The Implementing Agency further assumes full responsibility towards the contractors for fulfilling the obligations related to the retention clauses. Interests accrued on the funds deposited will be paid to the Commission after final payment to the contractors. Funds not paid out to the contractors after final payments have been settled shall be reimbursed to the Commission. An overview of the use of funds deposited on warranty accounts - and notably of the payments made out of them - and of interests accrued will annually be provided by the NAO to the Commission.

7. **MONITORING AND ASSESSMENT**

A Joint Monitoring Committee (JMC) will be established. It will include the NAO, the NAC and the Commission. The JMC will meet at least once a year to review all Phare funded programmes in order to assess their progress towards meeting the objectives set out in Financing Memoranda and the Accession Partnership. The JMC may recommend a change of priorities and/or the re-allocation of Phare funds.

The JMC will be assisted by Monitoring Sub-Committees (MSC) which will include the NAC, the PAO of the CBC Programmes and the Commission Services. The MSC will review in detail the progress of each programme, including its components and contracts, on the basis of regular Monitoring and Assessment reports produced with the assistance of external consultants (in accordance with the provisions of the DIS Manual), and will put forward recommendations on aspects of management and design, ensuring these are effected. The MSC will report to the JMC, to which it will submit overall detailed reports on all Phare financed programmes.
8. **AUDIT, MONITORING AND EVALUATION**

The accounts and operations of the NF, and, where applicable, the CFCU and all relevant IAs may be checked at the Commission’s discretion by an outside auditor contracted by the EC without prejudice to the responsibilities of the Commission and the European Union's Court of Auditors as referred to in the General Conditions relating to the Financing Memorandum attached to the Framework Agreement.

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

9. **VISIBILITY/PUBLICITY**

The appropriate PAO 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 III "Visibility/Publicity".

10. **SPECIAL CONDITIONS**

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

INFORMATION AND PUBLICITY FOR THE PHARE, ISPA AND SAPARD PROGRAMMES OF THE EUROPEAN COMMUNITIES

1. **Objective and scope**

Information and publicity measures concerning assistance from the European Community Phare Programme 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 Phare Programme.

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 co-operation 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 Phare 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 Phare 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 1 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 Phare, ISPA or SAPARD:

- measures to make potential beneficiaries and the general public aware of Phare, ISPA or SAPARD assistance, in accordance with the provisions cited at paragraph 3(b)(i) above.

- measures targeting applicants for public aids part-financed by Phare, ISPA or SAPARD in the form of an indication on the forms to be filled out by such applications, that part of the aid comes from the EU, and specifically, the Phare, ISPA or SAPARD 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 co-operation 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 Phare, ISPA or SAPARD Programmes, is providing financial support. The notification of aid sent to beneficiaries shall mention the amount or percentage of the assistance financed by the Programme in question. 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 Phare, ISPA or SAPARD 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 Phare, ISPA or SAPARD 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 Phare, ISPA or SAPARD 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 Phare, ISPA or SAPARD 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 relevant Programme (Phare, ISPA or SAPARD).

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.