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 Hungary, 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 3 September 1990 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: HU 9913
Title: 1999 Hungary / Austria Cross Border Programme
Duration: Until 30 December 2001

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of € 10 Million 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. 12. 2001 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 31.12. 2002 . 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:

Delegation of the European Commission to Hungary,

Berc. U. 23, H-1016 Budapest

Telegraphic address: (36-1) 209 9700
Telex:
Fax: (36-1) 466 42 21

for THE RECIPIENT:

Dr. Imre Boros, Minister without Portfolio,
Office of the Prime Minister,
Poszsonyi ut, 56
1133 Budapest

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... [signature]
Date 22 Dec 99

for THE RECIPIENT

for THE COMMUNITY

Annex 1 Framework Agreement (Annexes A & B)
Annex 2 Special Provisions (Annex C)
The wider objective of the Hungarian-Austrian Phare CBC Programme is to stimulate economic activities in the border regions and to assist the regions in overcoming specific development problems arising from their peripheral location in the national economy. The Programme aims to assist the regional actors in their preparation for EU compatible regional development programming and programme management, as well as in creation of the regional institutional framework in Western Hungary capable of future strategic development of the NUTS II region. In addition, the Programme aims at creating constructive person-to-person contacts throughout the border region. As such, the Programme supports the process of integrating Hungary and Austria into the European Union.

**Immediate Objectives and Programme Results**

The Multi-annual Programme has five priorities for cross border co-operation. The 1999 Annual Programme will serve 2 out of the 5 priorities:

- Infrastructure
- Economic Development and Co-operation

There will be improved traffic flow in the border region including the establishment of by-pass roads in number of border towns or settlements. The adjoining Austrian-Hungarian construction of a major flood prevention facility will prevent a city and further territories of a cross-border industrial park development resulting in more joint ventures, a rising flow of foreign investment and creation of more cross-border business relations in the border region. The region will receive a strong impetus by the establishment of the Sopron Conference Centre. The Small Project Fund will facilitate more and more face-to-face contacts amongst the people living in the border region. The Small Projects Fund will further strengthen the regional development programme management system in the region involving beneficiary institutions, being in line with the reform of the regional development system of Hungary.

**Programme Description**

The 1999 Programme has been designed jointly by the competent institutions of Hungary and Austria, and in intensive consultation with the EU Commission. Projects with a strong link to Interreg IIA have been preferred. An initial screening has been carried out to assess the programme’s effect on the environment and on Small and Medium Sized Enterprises. As a result, a fuller assessment is not required.

**Szombathely By-pass Road No 8721**

In the frame of the project will be constructed a road connecting Kámon, Olad and Herény districts in the northern part of Szombathely, since these districts have not become connected to the town's road system yet. Traffic between districts and from the direction of Austria passes through the section of highway 89 that goes through the busy town-centre, thus causing high level of noise, smut and other environmental pollution. The construction of the road will make it possible to connect different districts without additional roads. Following the completion of the 1.8-km-long section of the road no. 8721, the traffic easing road section of highway 89 is planned to be constructed to the north of Szombathely, which is connected to the federal highway B63 at the Austrian border. This makes easier the traffic between the Austrian border and the inner side of the country. The first part of the road is supported from the Phare CBC Hu-Au Programme in year 1996.

**Fertőszentmiklós By-pass Road (Phase 2)**
The importance of the Main road No. 85 has increased in the last few years because of the dynamically developing Austrian-Hungarian economic links and it also gives the reason for the staged implementation. The significant motor-vehicle traffic between Sopron and Győr runs on Main road No. 85 leading through the village Fertőszentmiklós, where the section of the road leading through the settlement is obsolete, narrow and has curves of small radii. The constructing the by-pass road in a 2.5 km long in the Phase of the program of the year 1999 is the continuation of Phase I of the Fertőszentmiklós urban section of Main road No. 85 approved in 1997.

**Zalaegerszeg By-pass road (phase 2)**
Under the project will be constructed a by-pass road at Zalagerszeg, which contributes the decreasing of the environmental pollution of the downtown of Zalaegerszeg, especially surround the historical church. After the construction of the road the historical centre of the town will be unburdened and the traffic from South-Austria to Hévíz, Balaton, Zalakaros will be safely led through the region of Zalaegerszeg. The traffic in the downtown will be decreased from 10,000 vehicle/day to an expected 3,000 vehicle/day. The road will serve for the traffic between the future section of highway M7 and the Austrian highway A2. The by-pass road will cross the railway line to Zalagerszeg on separated level and traffic over the river Zala will take place on a widened bridge. Furthermore, a considerable area will be explored for the town Zalaegerszeg for town-development and industrial-economic exploitation. The present project implements the second road section. This part of the road follows the first phase of the whole construction supported from the Phare CBC Hu-Au Programme in year 1996 and 1997.

**Lapines river flood prevention Spill-way (phase 2)**
The flood prevention spill-way serving for the regulated draining of high waters will be erected also on the Hungarian territory, connected to the flood prevention spill-way starting from the Austrian section of brook Lapines. By creating the flood prevention spill-way, the Industrial Park stretching over the border of Szentgotthárd-Heiligenkreuz and the city of Szentgotthárd will be protected against high water.

The parameters of the planned flood prevention speel-way are the next: length 2.000 m; width of the bottom: 80-120 m and the water permeability 240 m³/sec. The length of planned flood protected dams: Right side dams: 1.384 fm + 480 fm = 1.860 fm; Left side dams: 1.384 fm + 610 fm = 1.994 fm; Total: 3.854 fm. The aperture of the bridge between Rábafüzes and Szentgotthárd is 60 m.

**Hanság-Rábca canal**
The draining system providing water level regulation for the Fertő Lake located on both Hungarian and Austrian territory is the 63 km long Hanság Canal and the Rábca River which latter are on Hungarian land. The first phase of the reconstruction works including the renovation of the sluice at Mexico Puszta and regulation works on the 34,9 km long Hanság Main Canal were completed in 1996. The hydro-meteorological situation in the first half of 1996 led to excess water levels causing a forestry and agricultural damage totalling to HUF 1.2 billion in Hungary (around 4,7 Meuro). Sludge deposit in the receiving system is increased pumping costs of protection against excess water, and limited the drainage of flood water from the Fertő Lake thus leading to damages on Austrian territory. With regard to the above, it is in the interest of both States to start dredging of the river bed and complete such works as soon as possible in the 18,55 km long section of the Rábca river.

**Sopron Conference Centre**
The building was erected in the year 1872 as the casino of the town of Sopron that functions as a conference centre under inadequate architectural, material conditions. This project will reconstruct
this building and develop a conference centre meeting modern requirements. In the edifice there will be rooms each respectively accommodating 1000, 500 as well as 250 people, with appropriate technical background. In addition the complex will be completed with cafeteria, restaurant and guest rooms. Sopron disposes of 4.000 hotel beds with high proportion of quality accommodation, which is the highest number after Budapest in Hungary. The conference centre shall play an important role in the regional business and SMEs development and provides an opportunity to further promote information on the EU and training facilities.

**Small Project Fund (SPF)**

The Phare Small Projects Fund (SPF) supports projects subject to a ceiling of 50.000 € (according to relevant small project fund guidelines) and which must be implemented in 1 year. The SPF also offers the opportunity to small regions to prepare plans and feasibility studies of the projects that can be implemented in the next programming period and to develop their management capacity. The projects are collected by announcing a call for proposals and then selected by the Small Projects Fund Committee, the Fund is managed by the IA's Regional Office.

**BUDGET**

The following table specifies the EU contribution as well as national co-finance to the programme.

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<tr>
<th>No</th>
<th>Sub-programme Title</th>
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N.B. : The overall Phare allocation will be managed through the DIS

**IMPLEMENTATION ARRANGEMENTS**

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

The National Fund (NF) in the Hungarian State Treasury, headed by the National Authorising Officer (NAO), will supervise the financial management of the Programme, and will be responsible for financial reporting to the European Commission. 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 signed between the Commission and Hungary on 17 December 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 to the NF following signature of the Financing Memorandum and the Financing
Agreements (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 a 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 budget has been disbursed by the Implementing Agency (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 installment when 70% is disbursed. Save for express prior authorization 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 Agriculture and Regional Development will be the IA (Implementing Agency) responsible for all sub-programmes. The National Fund shall will transfer funds to the IA in accordance with the Financing Agreement signed between the NF and the IA 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 IA there will be no transfer of funds from the NF to the IA. The Implementing Agency must 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 IA.

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 shall 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 PAO will ensure that all contracts are prepared in accordance with the procedures set out in the DIS Manual. All contracts will be greater than € 2 million, except those financed by the Small Project Fund.

The Small Projects Fund will be contracted via the procedures of the European Commission Guidelines for the Operation of Small Projects Funds. The Phare CBC Austria- Hungary Programme is based on a Multi-annual Indicative Programme that is defined for 5 years. However the projects are approved by the Phare Management Committee on an annual basis. The procedure results in high number of on-going projects with independent annual phases, and consequently in smaller average project size than it is usually required by the Phare New Orientation. In order to increase average contract size, so to be in line with Phare New Orientation, the following contracts will be prepared together with former Phare CBC independent project phases.

- The Szombathely By-pass Road - Phase 2 project will be tendered together with its HU-9610-0203 Phase 1 project but separate contracts must be signed for each programme.
- The Fertőszentmiklós By-pass - Phase 2 project will be tendered together with its HU-9701-0201 Phase 1 project but separate contracts must be signed for each programme.
- The Zalaegerszeg By-pass Road - Phase 3 project will be tendered together with its HU-9610-0504 Phase 1 project and with its HU-9701-0202 Phase 2 project but separate contracts must be signed for each programme.
- The Lapincs Flood Prevention Speelway project will be tendered together with its HU-9701-0205 project but separate contracts must be signed for each programme.
All contracts must be concluded by 31 December 2001. All disbursements must be made by 31 December 2002.

Any funds not used by the expiry date of the programme will be recovered by the Commission.

**The Institutional Structure of the Programme**

The overall responsibility for the CBC Programme Hungary-Austria will rest with the Hungarian Ministry for Agriculture and Rural Development, that continues to take on the tasks of the former Ministry for Environment and Regional Policy, as the Phare CBC Programme Implementing Agency (IA) for all sub-programmes. The Ministry has nominated a Phare Programme Authorising Officer (PAO) and a Programme Director.

The PAO will organise the meetings of the national Phare CBC Steering Committee at which, *inter alia*, information on strategic objectives and priorities will be reviewed, and where questions of national co-finance will be discussed. A specific responsibility in this regard will be, as it was in case of the forerunning Phare CBC Programmes, to co-ordinate activities supported under the CBC programme with those under other assistance programmes including those funded from the Hungarian Government’s own resources, by Phare, and by other international donors.

The Steering Committee is chaired by the Minister for Agriculture and Regional Development. It has as its members the State Secretaries and Presidents of the County Development Councils of the following institutions: the Ministry of Economic Affairs, the Ministry for Foreign Affairs, the Ministry for Environment, the Ministry of Internal Affairs, the Ministry of Transport, Telecommunications and Water Management, the Ministry of Education, the Ministry responsible for Labour Affairs, the Ministry of Finance, Győr-Moson-Sopron County Development Council, Vas County Development Council, and Zala County Development Council. Representatives of the European Commission and a representative of the Austrian partner institutions may participate in the Steering Committee meetings as observers. Also, the mayors of Győr, Sopron, Szombathely, Zalaegerszeg, and Nagykanizsa Cities are invited to participate in the Steering Committee without voting rights. The Steering Committee can invite experts and representatives of other relevant authorities to its meetings.

The Steering Committee has to co-ordinate the financial contributions of different ministries and communities involved in the CBC Programme. In order to facilitate this task, the Ministry of Environment and Regional Policy prepared a proposal for the Hungarian co-finance of the programme which was accepted by the Hungarian Government, in March 1996. The Government decided to allocate on an annual basis 50 percent of the Hungarian co-finance to the budget of the Ministry of Environment and Regional Policy, and invited the respective Minister to chair the Steering Committee. The remaining national co-finance will be borne by the self-governmental authorities, project beneficiaries and additional sources from Ministries that have a strategic interest in projects of the programme.

In addition to the Steering Committee, a *Working Group* has been established on expert level. It includes representatives of all institutions represented on the Steering Committee, and has been set the tasks to discuss priorities for the annual programming rounds and to select project proposals on expert level for each of the priorities.

**The Joint Programming and Monitoring Committee**

A bilateral Austro-Hungarian Joint Programming and Monitoring Committee (JPMC) for the CBC programme has been set up. It is based on the Hungarian and Austrian Governments’ Declaration of Intent (*Framework Agreement*). Hungary and Austria each have six seats in the JPMC. Its meetings are being chaired jointly by the heads of the Hungarian and of the Austrian delegation. The PAO will head the Hungarian delegation to the JPMC that will also include representatives of the Ministry of
Economic Affairs, the Ministry for Foreign Affairs, the Ministry for Agriculture and Regional Development, Győr-Moson-Sopron County Development Council, Vas County Development Council, and Zala County Development Council. The preparation of reports, agendas and minutes of the meetings of the Committee is organised by a Joint Secretariat that on the Hungarian side will be provided by the IA.

A selected number of the representatives of the Hungarian Working Group are members of a permanent Austrian-Hungarian Joint Working Group. The Joint Working Group is the equivalent to the JPMC on expert level and provides support to the JPMC with the determination of priorities and pre-selection of the proposed projects. Increasing number of informal task forces and action groups do provide guidance in project or problem oriented manner throughout the programme cycle.

By the force of Commission Regulation 2760/1998 on the operation of cross-border co-operation programmes within Phare the Joint Co-operation Committee is to take the role of JPMC as the joint Austrian-Hungarian programming body in Phare CBC Programmes. The joint committee will include the NAO, the NAC and the Commission. No other change is foreseen within JCC compared to the composition of the JPMC so far. In future, the JCC will prepare a joint programming document in a multi-annual perspective covering both sides of the border), and on that basis, will define a common set of projects once a year.

**MONITORING AND ASSESSMENT**

A Joint Monitoring Committee (JMC) will be established for the mainstream Phare National programme covering also the Phare CBC programmes. 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) and will include the NAC, the PAO of each IA (and of the CFCU where applicable) 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 consultant (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.

**AUDIT AND EVALUATION**

The accounts and operations of the National Fund, and, where applicable, the CFCU 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 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.

**VISIBILITY AND 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’.

. **SPECIAL CONDITIONS**
The Hungarian Government will carry the legal liability to carry out the projects specified under the programme to a satisfactory outcome and shall carry out by its own means any work on which contractors default. In the measures specified under this programme, in which the European Union grant contributes to the financing of revenue generating activities, the Commission shall determine, in consultation with the Implementing Agency, specific arrangements for financing which could include co-financing by the project revenues or reimbursement of the initial grant.

The European Union's financial contribution is limited to 10,000,000 ECU. This contribution will not cover any additional costs, cost increases or extensions which must therefore be catered for by the implementing and contracting authorities.

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

At least 25 percent of Programme will be co-financed from local Hungarian resources. The Hungarian Government, in its decree no. 2057/1996, has guaranteed to bear half of the Hungarian co-funding obligations. The Hungarian Government will also provide the management costs and running costs of the Programme.
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.