COMMISSION DECISION
OF 2002

Establishing a Phare multi-beneficiary programme on “The Municipal Finance Facility with the EIB” in 2002,

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) N° 3906/89 of 18 December 1989 on economic aid to certain countries of Central and Eastern Europe¹, as last amended by Regulation (EC) N° 2500/2001 of 17 December 2001 ², and in particular Article 8 thereof,

Whereas Regulation No 3906/89 lays down the rules and conditions for the granting of economic aid to certain countries of Central and Eastern Europe,

Whereas the measures provided for by this Decision are in accordance with the opinion of the Committee on Aid for Economic Restructuring in certain countries of Central and Eastern Europe,

HAS DECIDED AS FOLLOWS:

Article 1

The programme described in the Annex to the present decision is hereby adopted.

Article 2

The maximum amount of Community assistance shall be 15 MEUR to be financed through Budget line B7-030 in 2002.

Done in Brussels,

For the Commission

¹ OJ n° L375 of 23/12/1989
² OJ n° L342 of 27/12/2001
FINANCING PROPOSAL

1. IDENTIFICATION

Beneficiary countries: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovenia, Slovakia

Programme: Municipal Finance Facility with the European Investment Bank

CRIS-Number: 2002/000-645

Year: 2002

Cost: €15 million

Expiry Dates:
- Contracting: 30 November 2005
- Completion: 31 May 2010
- Disbursement: 30 November 2010

Group: L

Sector: FI

DAC Code: 24030

Budget Line: B7-030

Programming Task Manager: Judith Novak (DG ELARG)

Implementation Task Manager: N.N. (DG ECFIN Unit L2; Programme Management)

2. SUMMARY

In the context of the Copenhagen economic criteria, both the Accession Partnerships and the Regular Reports 2001 call for a strengthening of institutions in the area of financial inter-mediation. The reform and strengthening of the financial sector is an issue likewise addressed in the June 2002 “Action Plans for administrative and judicial capacity”.

The depth and strength of the municipal credit markets in the candidate countries is an important aspect of the functioning of the financial sector in the candidate countries. There are numerous municipalities in the candidate countries, which have investment needs in areas such as water supply, sewerage, roads, public transport, solid waste, heating etc. At the same time, in particular, smaller municipalities have still a limited access to long term credits needed for infrastructure investment, even in the candidate

1 Date by which the Contribution Arrangement with the EIB and Project Agreements with Participating Banks must be concluded.
countries with more advanced financial markets. Market-based municipal lending broadens the range of finance available to municipal authorities for ensuring sustainable living conditions to their populations.

The overall objective of the Facility is to assist the candidate countries in meeting the Copenhagen economic criteria and to contribute to the reform and strengthening of the financial sector.

To this end, the European Investment Bank (EIB) will combine loans from their resources with non-reimbursable Phare support in order to incite banks in the candidate countries to expand their lending to municipalities for the financing of small infrastructure investments, to extend loans over longer maturities, and to enhance their capacity to assess and monitor the related risks and to manage their loans.

3. **Strategy and Background**

**Strategy**

The revised Accession Partnerships adopted in November 2001 define, for each chapter, priorities for the adoption and the enforcement of the Acquis in the candidate countries. They are in line with the Regular Reports 2001, which assessed the progress made by the candidate countries, as well as the overall situation in terms of the adoption of the Acquis and the capacity to enforce it. The Accession Partnerships include the priorities which the candidate countries are expected to take forward within the next two years.

In the context of the Copenhagen economic criteria, both the Accession Partnerships and the Regular Reports 2001 call for a strengthening of institutions in the area of financial inter-mediation. The reform and strengthening of the financial sector is an issue likewise addressed in the June 2002 “Action Plans for administrative and judicial capacity”.

The depth and strength of the municipal credit markets in the candidate countries is an important aspect of the functioning of the financial sector in the candidate countries. Moreover, market-based municipal lending broadens the range of finance available to municipal authorities for ensuring sustainable living conditions to their populations.

The European Commission and EIB have therefore decided to combine Phare grant money with EIB lending, where possible, in order to help the financial sector in the Eastern and Central European candidate countries develop its municipal lending business. From the European Commission point of view the combination with EIB funding will bring additional leverage to grants from Phare and therefore substantially broaden the reach of the Programme.

The EIB intends to start rolling out the Facility in countries where it has the larger, well established networks with intermediaries active in lending to municipalities, for example, Poland, Czech Republic, Hungary, the Slovak Republic and Slovenia.

It is expected that other International Financial Institutions (IFIs) such as the European Bank for Reconstruction and Development (EBRD) or the Council of Europe Development Bank (CEB) in co-operation with Kreditanstalt für Wiederaufbau (KfW) will also develop the Facility. Through the involvement of several IFIs, the Commission intends to reach a maximum coverage of eligible countries within a short time period.
Background

The inter-institutional co-operation between the EIB and the Commission includes structural adjustment and regional development, support for smaller businesses, environmental protection and transport.

Since 1990, EIB lending in the Candidate Countries has amounted to €16.8 billion, of which €16.2 billion in central European countries.

Co-operation under the pre-accession financial instruments such as PHARE and ISPA has been very intensive. Co-operation with PHARE started already some 10 years ago. Since then, EIB has co-financed a substantial number of projects with an important European interest, particularly projects in the transport sector.

When co-operating with the European Commission, the EIB aims at maximising the leverage effect of Phare support and at reaching as large a number of eligible investments as possible, hence optimising the catalytic role of grants and maximising the overall positive impact of appropriate loan/grant blending.

In the context of the Phare programme, co-operation between the Commission and the EIB includes in particular the promotion of lending to small and medium-sized enterprises in the Candidate Countries under the SME Finance Facility. The Commission’s announcement in July 2001 of a Special EIB Programme has added, most recently, a new area of co-operation involving loans extended to municipalities, namely to accelerate the implementation of small local infrastructure in the candidate country border regions with the EU.

4. Objectives and Description

4.1. Objectives

The overall objective of the Programme is to assist the candidate countries in meeting the Copenhagen economic criteria and to contribute to the reform and strengthening of the financial sector.

The Programme’s specific objective is to

- build the confidence of commercial banks to extend loans to municipalities or public or private companies delivering a municipal service for the financing of small infrastructure investments;
- increase the willingness of banks to extend such loans over long-term maturities;
- enhance the capacity of banks to assess and monitor the related risks and to manage their loans;
- enable municipalities to present loan applications that demonstrate the feasibility and financial soundness of the planned infrastructure investments

and thereby to strengthen and deepen the municipal credit markets in the long term, and in particular lending to smaller municipalities, in the candidate countries.
4.2. Results

Results obtained under this programme include:

- staff from banks will be familiar with the concept of lending to municipalities and its implications for their business;
- bank management will appreciate the benefits of long-term lending to municipalities;
- the volume of bank loans extended to municipalities will be larger than at present;
- bank loans extended to municipalities will have longer maturities than at present;
- staff from municipal borrowers will be experienced in financial management and the development of bankable projects.

These results will be particularly pronounced regarding lending to small or medium-sized municipalities that do not have the capacity to tap the capital markets.

4.3. Activities

4.3.1. Summary

The EIB will identify local financial institutions in the designated candidate countries as partners under this Programme. The EIB will provide loans to these institutions, which, in return, will engage in lending operations to municipalities or private or public companies providing a municipal service.

The Phare allocation will be transferred in tranches to an interest bearing special account at the EIB.

Building the network of financial intermediaries and creating the “Projects”

The EIB will select local financial institutions, which have the capacity, strength and interest to expand their operations to financing small municipal infrastructure investments in the candidate countries. An agreement on a financial package between EIB and the local financial institution providing a EIB loan together with a Phare Contribution will represent the “Project”. Before signing this agreement the EIB has to propose the Project to the competent Commission services for their approval. In its proposal the EIB will inform the Commission about the total loan amount allocated to this local financial institution and the corresponding Phare Contribution. Upon approval, the EIB will sign a Project Agreement with the local financial institution, which then becomes the Participating Bank under this Programme.

Creating the “Sub-Projects”

The Participating Bank will engage in the promotion of the Facility among municipalities and aim at receiving loan applications for small infrastructure investments. On the basis of a thorough analysis of the applications, the Participating Bank will sign a Loan Agreement with a municipality or public or private company providing a municipal service (hereinafter referred to as the Promoter). This Loan Agreement becomes the “Sub-Project”.

4.3.2 Phare Contribution

The Phare Contribution represents €15 million allocated to this Programme and all income (including interest) accruing to the Special Account. These monies may be used for the following purposes:
(1) Technical Assistance to the Participating Banks
Technical assistance may include activities such as the training of staff in supporting municipal clients and in the appraisal, supervision and administration of loans extended to municipalities, or the introduction of the related organisational and managerial procedures and practices.

(2) Technical Assistance to the Municipal Promoters
Technical Assistance to Promoters would help the Participating Banks in creating effective demand from the municipal market, by, for example, strengthening their capacity to prepare bankable loan applications and to monitor the progress of Sub-Projects.

(3) Performance Fee for Participating Banks
As an incentive to the Participating Banks to meet the objectives of the Programme, performance fees may be paid in proportion of the number and the volume of Investments financed and completed.

(4) Financial incentives for Participating Banks
These incentives will allow the Participating Bank to increase effective demand by introducing cost reducing elements into the Sub-Projects. The disbursement of these incentives to the Participating Bank will be linked to the signature of Sub-Projects, their completion and the loan conditions offered.

(5) Loan Guarantee
To cover the risks involved in municipal project lending the Participating Bank may benefit from a partial guarantee on their portfolio of loans subject to the definition of appropriate limits.

If in a Project, the Phare funds dedicated to the Loan Guarantee are not fully used at the end of the guarantee period agreed between EIB and the PB, this amount will be recovered by the Commission.

(6) Management Fee and Auditing Costs
A management fee shall be paid to the EIB as 1.20% of each tranche transferred to the special account and corresponding to a maximum amount of €180,000. The annual cost for auditing the special account will be paid separately from the management fee.

The Commission shall not provide any additional amount to support the ordinary EIB cost resulting from the implementation of this Programme, except where duly justified.

The mix and level of the different components (1) to (5) will be tailored by the EIB to the particular national or regional markets in which the Programme will operate.

Moreover, in addition to the items listed above, and with a view to enhancing the implementation of the Programme, the Commission may in light of experience agree to other appropriate incentives for the benefit of Participating Banks in the framework of a Project Proposal from EIB.
4.4. Financial Support Ratios

1. The overall ratio between the EIB resources and the Phare allocation for this Programme shall be equal to or higher than 5/1. The EIB will provide at least €75 million in the form of loans and the EC will provide a maximum of €15 million.

2. The ratio between the EIB loans and the Phare Contribution allocated to one Project will be equal to or higher than 4/1 except for Romania and Bulgaria where it will be equal or higher than 3/1. The ratio shall be equal to or higher than 8/1 if no Technical Assistance is financed by the Phare Contribution.

3. The size of each Project will be, in principle, between €5 - 15 million and the maximum size of an investment financed with a loan will be €5,000,000. Taking the co-financing ceiling of the EIB into account, each Project will, therefore, cover several Sub-Projects.

4. For each Project the average amount of Technical Assistance to municipalities will not be higher than €25,000 except for Romania and Bulgaria where this limit will be €50,000.

4.5. Eligibility Criteria

4.5.1 Eligible Participating Banks (PB)
Eligible Participating Banks are those operating in the beneficiary countries including locally registered, licensed or incorporated entities and subsidiaries or branches of EC banks.

Participating Banks will be selected on the basis of their capacity, financial strength and interest to participate in and promote the Facility and its objectives. Selection of Participating Banks will also take into account their credit worthiness, their previous record in municipal lending and, in general, their sound banking practice. In principle, those banks that EIB considers to fulfil these requirements based on an ongoing relationship with EIB, are eligible to participate in the Facility.

4.5.2. Eligible Promoters
Eligible Promoters are municipalities or private or public companies delivering municipal services, who are directly responsible for the implementation of the Investments. They are, generally, the owners of the assets of the Investment.

4.5.3. Eligible Investments
Eligible investments relate to the building, up-grading or refurbishing of small municipal infrastructure.

The total cost of an investment is less than €5 million.

4.5.4. Eligible Sectors
Investments are eligible in the sectors involving municipal infrastructure except for sectors included in the EIB exclusion list.

4.5.5. Eligible Investment Costs
Eligible components of investment costs will be determined by EIB eligibility criteria.
5. **Budget**

The European Commission will support the Municipal Finance Facility with €15 million.

6. **Implementation Arrangements**

The Commission entrusts EIB with the implementation of this Programme and will conclude a Contribution Arrangement with them for this purpose. The management of the Programme by the Commission will be sub-delegated to Directorate General Economic and Financial Affairs.

The Commission shall exercise its responsibility over the use of funds through the duration of the programme in accordance with its Financial Regulation applicable to the General Budget of the European Communities of 21st December 1977 as amended. It will be replaced by the Financial Regulation applicable to the General Budget of the European Communities of 25 June 2002 upon its application as of January 1, 2003.

The provisions of article 167 of the Financial Regulation of June 25, 2002 shall apply to EIB procurement of services financed by Community funds.

In the light of Article 56 of the Financial Regulation of June 25, 2002, the Commission accepts that the audit, accounting and procurement systems of the EIB are equivalent to its own, with due account for internationally accepted standards.

6.1. **Process of Project Approval**

The EIB will prepare a Project proposal for each new or amended Project Agreement with a Participating Bank and submit it for the approval by the competent Commission services. The EIB will provide all relevant information to assess the Project proposals including information on the selected bank, amounts from EIB and Phare Contribution allocated to the Project, type of incentives provided, compliance with eligibility criteria, indicators of achievement for monitoring and evaluation and disbursement schedule. A standard project proposal format will be included in the Contribution Arrangement.

The Commission shall assess Project proposals according to their compliance with the following criteria:

- the compliance with the Contribution Arrangement and its annexes, including the degree of compliance with the eligibility criteria;
- the degree to which the requested Phare Contribution grant leverages additional funds from the PBs;

By their approval of the Project, the Commission authorises the mobilisation of the Phare Contribution from the special account set up at the EIB. The Commission also ensures the confidentiality of the Projects proposed by the EIB.

Each Sub-Project must have received the authorisation of the EIB after verification that the relevant eligibility criteria are met.

The Contribution Arrangement will specify a limited time period between the signature of the Project and the signature of individual loan agreements (i.e. Sub-Projects).
Beyond that limit, the EIB may allocate the uncommitted resources to other Projects subject to the agreement of the Commission.

Subject to the legal obligation of bank secrecy and the rules of confidentiality, the Commission shall have access to all relevant information in connection with the Project proposals.

6.2. **Interest earned on Special Account**

The EIB will set up and manage a separate interest bearing special account for this Programme. Upon proposal of the EIB and subject to approval by the Commission in accordance with section 6.1, interest may be reinvested in the Programme for the purposes as set out in section 4.3.2.

The modalities for managing the special account will be set in the Contribution Arrangement.

6.3. **Recovery of Funds**

In the case of default on Projects, the EIB will undertake recovery proceedings of the Phare Contribution in a manner consistent with the care and diligence applied in EIB projects financed out of its ordinary resources. The Commission will assist in this process where required.

Funds recovered from Projects will be credit to the special account and may be used for the purpose of the Programme.

The Phare Contribution, which has not been allocated to a Project by the contracting expiry date, will be de-committed by the Commission.

The Phare Contribution allocated to a Project and not disbursed from the special account of the EIB by the disbursement expiry date will be recovered by the Commission.

6.4. **Environmental Impact Assessment and Nature Conservation**

The procedure for environmental impact assessment as set down in the EIA-directive\(^2\) are fully applicable for all investment projects under Phare. If the EIA-directive has not yet been fully transposed; the procedures should be similar to the ones established in the above mentioned directive. All investment projects will be carried out in line with the relevant EU environmental legislation. Project proposals will contain information on specific clauses on compliance with the relevant EU legislation in the field of environment to be included in the legal documentation implementing the Project proposal.

7. **MONITORING AND EVALUATION**

At operational level, the implementation of this Programme will be monitored through technical and financial reports to be submitted by the EIB and through a Steering Committee including representatives of the Commission, EIB and any other institution that will have signed a Contribution Arrangement with the Commission under the Municipal Finance Facility.

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The Steering Committee will be chaired by a representative of the Commission and will monitor the implementation of the Facility, in particular it will

1. monitor financial and operational progress of the Facility;
2. review, as appropriate, publications reporting on the Facility;
3. review the experiences of the Facility and propose improvements;
4. co-ordinate activities of the Facility, where necessary.

Moreover, the accounts and operations of all activities carried out under the Programme may be checked at regular intervals by an outside auditor contracted by the Commission without prejudice to the responsibilities of the Commission and the Court of Auditors. Also the Commission may carry out any necessary audits and on-the-spot checks to verify the correct use of the Phare Contribution.

To facilitate this, the EIB, Participating Banks and Promoters will keep accounting, financial and operational documents concerning all activities financed from the Phare Contribution, and will make available to the competent bodies of the European Commission and the European Court of Auditors on request all relevant financial information.

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

8. **Audit and Anti-Fraud Measures**

The Financing Decision for this Programme as well as the utilization of the Phare Contribution in Projects and Sub-Projects are subject to supervision and financial control by the European Commission (including the European Anti-Fraud Office, OLAF), and the Court of Auditors. In order to ensure efficient protection of the financial interests of the Community, the European Commission can conduct check-ups and inspections on site, in accordance with the procedures foreseen in Council Regulation (Euratom, EC) No 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 Article 15 para 3 of the Commission Regulation (EC) No 2222/2000 of 7 June on the communication in case of irregularities and the putting in place of a system to administrate the information in this field shall apply.

Project Agreements to be concluded by the EIB with the financial intermediaries as well as agreements between the financial intermediaries and beneficiaries of Sub-Projects, shall contain provisions to this effect. Relevant documentation should be maintained at all levels for a period of at least five years after closure of the Project.

There shall be full coordination between the EIB, the Commission and Court of Auditors to minimise any potential disruption to activities.

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3 OJ L 292; 15. 11. 1996; p. 2-5
9. **Visibility/Publicity**

The EIB 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. Phare visibility measures are based on the provisions of the regulations and decisions applicable to the Structural Funds\(^4\).

10. **Special Conditions**

In the event that agreed commitments are not met for reasons which are within the control of the EIB, 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 Phare programme.

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INFORMATION AND PUBLICITY FOR THE PHARE PROGRAMME 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:

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

- measures targeting applicants for public aids part-financed by Phare 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 Phare 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 Programme, is providing financial support. The notification of aid sent to beneficiaries shall mention the amount or percentage of the assistance financed by the Phare Programme. 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 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 Programme 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 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 Programme, 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 Phare Programme.
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.