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 Slovenia, 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 7th October 1992 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: 2003/004/940
Title: 2003 Phare Cross Border Co-operation Programme between Slovenia and Italy
Duration: Until 30/11/2005

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of €2.5 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 30/11/2005 subject to the provisions of this Memorandum. All contracts must be signed by

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1 The Financing Memorandum structure is as follows: 1. the coverpages with the references to the country concerned, amount and authority to sign; 2. Framework Agreement incl. Annex A and Annex B; Annex C - Special Conditions (the text of the adopted financing proposal starting from Description and Objectives onwards; and Annex D 'Visibility/Publicity.
this date. Any balance of funds of the EC GRANT, which have not been contracted by this
dealine for execution of contracts of THE EC GRANT is
30/11/2006. Execution of all contracts must end by the deadline for execution of contracts.
THE COMMISSION may however, in exceptional circumstances, agree to an appropriate
extension of the contracting period or of the contract execution period, should this be
requested in due time and properly justified by THE RECIPIENT. This Memorandum shall
expire at the expiry date for execution of contracts 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:

Mr Erwan Fouéré
Head of Delegation
European Commission Delegation in Ljubljana
Trg Republike,3, XI
1000 Ljubljana
Fax: (386-1) 425 2085

for THE RECIPIENT:

Mr. Janez Potocnik
Minister for European Affairs
Government Office for European Affairs
Phare National Aid Co-ordinator
Subiceva 11
1000 Ljubljana
REPUBLIC OF SLOVENIA

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.
Encl.

2. Special Provisions (Annex C)
3. Visibility/Publicity (Annex D)
ANNEX C TO THE F.M

1. OBJECTIVES AND DESCRIPTION

The conclusions of the 2002 Regular Report provided a clear picture of the progress made since 1998 and the outstanding work that needs to be complete before accession.

The report indicated that Slovenia:

- fulfils the Copenhagen political criteria,
- can be regarded as a functioning market economy,
- has maintained economic stability, and
- has followed a gradual approach to structural reform.

Since 1998, Slovenia has made very good progress in transposition and implementation of the acquis as well as in developing the institutions needed for implementing and enforcing the acquis.

Over the past year, Slovenia has further advanced, especially in the area of free movement of persons, Fisheries, Economic and monetary Union, employment and social policy, regional policy, environment and financial control. Limited further progress has been made in the area of consumers and health protection.

Overall, Slovenia has achieved a high degree of alignment with the acquis in most areas, and is well advanced concerning the administrative capacity needed to implement the acquis, although further efforts are still needed. Detailed plans have been agreed, in particular in the Action Plan to cover the remaining gaps.

Bearing in mind the above and Slovenia’s track record in implementing the commitments it has made in the negotiations, the commission considers that Slovenia will be able to assume the obligations of membership, in accordance with the envisaged timeframe. In the period leading up to accession, Slovenia needs to continue its preparations in line with the commitments it has made in the accession negotiations.

Lessons learned

The quality of Phare programming in Slovenia has greatly improved over the last five years as a result of lessons learned.

It is noteworthy that it is the State Secretaries who present the project fiches and budgets thus engaging their political responsibility. This means they make a direct commitment to bringing each project to a good end.

The Government Office for European Affairs is the governmental body responsible for Phare programming and is the one focal and decision-making point. Moreover it co-ordinates all bilateral aid. The GOEA was also involved in the accession negotiations, which gives it a clear picture of priorities and problems.
In Slovenia there is only one Implementing Agency, the Central Finance and Contract Unit. As with the National Fund, the CFCU is part of the Ministry of finance and since they are located in the same building this certainly facilitates implementation and monitoring.

Objective 1: To support Economic and Social Cohesion

Project 1 - Primorska Technological Poles

The main Phare Cross-Border Co-operation project for 2003 will support the conversion and construction of two buildings in the Vrtojba/Sant ' Andrea and Ferretici/Fernetti border crossing areas into laboratory, training and production spaces for the purposes of the Primorski Tehnoloski Part (PTP) in Vrtojba and the Business Innovation Centre in Sezana. The new premises will be acquired and used for innovation development support to the tenants in the pre-incubation and incubation phases, and afterwards for growing companies. In co-operation with the nearby research centres and universities from both sides of the border, these advanced facilities will help to improve the process of transferring technology from centres of knowledge to enterprises, providing also assistance for exploiting commercially the technologies which appear to have business potential.

The project follows the recommendations of a feasibility study. It is in line with the Slovene SME strategy which suggests a concept of "High-Tech Corridor" as a possible development towards an advanced logistics cluster, especially at the border crossings where infrastructure, tradition and qualified human resources already exist. There exist INTERREG IIIA mirror projects on the Italian side which include the same partners and integrate the conversion of infrastructure with the necessary soft measures and will be completed simultaneously. The project will strengthen cross-border business partnerships and create a joint network of infrastructures and expertise, comprising institutions such as the AREA Science Park in Trieste, R&D Sincrotrone, Veneto Innovazione etc.

At Vrtojba the following results will be achieved in the Primorski Tehnoloski Park:

- reconstruction of production and common space with a total surface of 1,575 m² located at the basement;
- reconstruction of production, laboratory and common space with total surface of 1,480 m² located in the first floor.

The current phase is the second phase out of four phases that are necessary to convert and finalise the whole building. Other phases of the project will be finalised from national funds.

At Sezana the following results will be achieved in the Business Innovation Centre:

- construction of 3,000 m² of production, laboratory, training, office and common space for innovative service activities and know how transfer centre.

The activities of these two projects will be supported by technical assistance provided through parallel complementary projects partly co-financed by Phare, Interreg IIIIA and national and local funds. The accompanying activities will make it possible to make the converted and reconstructed buildings operational.

The municipalities of Sempeter-Vrtojba and Sezana will be the contracting authorities and will be responsible for the appropriate administrative, technical and financial implementation of the project.
In the case of the first project the municipalities of Sempeter/Vrtojba and Nova Gorica will be the owner of the assets. In the case of the second project the municipality of Sezana will be the owner.

The Phare contribution to the project will be € 2 million. The matching national public contributions are € 1.2 million.

Project 2 - Small Projects Grant Scheme

This Small Projects Fund will enhance the capacity of local and regional authorities to develop and implement projects co-financed by Phare by local beneficiaries. The SPF will support small-scale people-to-people and other local development activities of a cross-border nature.

2. BUDGET

The following table specifies the EU contribution to the Programme:

<table>
<thead>
<tr>
<th>Objective and project number</th>
<th>Sub-programme and Projects</th>
<th>PHARE Budget</th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>INV</td>
<td>IB</td>
<td>INV + IB</td>
</tr>
<tr>
<td>Objective 1</td>
<td>To support Economic and Social Cohesion</td>
<td>2,000,000</td>
<td>500,000</td>
<td>2,500,000</td>
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<tr>
<td></td>
<td>CRS CODE 43010</td>
<td></td>
<td></td>
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<tr>
<td>2003/004-940-01</td>
<td>Primorska Technological Poles</td>
<td>2,000,000</td>
<td></td>
<td>2,000,000</td>
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<tr>
<td>2003/004-940-02</td>
<td>Small Projects Grant Scheme</td>
<td></td>
<td>500,000</td>
<td>500,000</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td>2,000,000</td>
<td>500,000</td>
<td>2,500,000</td>
</tr>
</tbody>
</table>

In accordance with the Phare Guidelines of 1999 and Revised Guidelines of 2002, all investment projects supported by Phare must receive co-financing from national public funds. The Community contribution may amount to up to 75% of the total eligible public expenditure.

Co-financing for Institution Building projects is provided by the beneficiary bearing certain infrastructure and operational implementation costs, through financing the human and other resources, required for effective and efficient absorption of PHARE assistance.

3. IMPLEMENTATION ARRANGEMENTS

a.) Financial and Project Management by the Candidate Country

The programme will be managed in accordance with the Phare Extended Decentralised Implementation System (EDIS) procedures as set down in the EDIS Accreditation Decision and the Agreement on the Implementation of EDIS (EDIS Implementation Agreement; EIA) concluded between Slovenia and the Commission. Prior to the conclusion of said Agreement, implementation will exceptionally follow Phare Decentralised Implementation System (DIS)

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1 Taxes are not an element eligible for co-financing in accordance with the rules set down in the Council Regulation 1605/2002 (Financial Regulation), in particular Art. 164, Commission Regulation 2342/2002 (Implementing Rules of the Financial Regulation) and the annex of Council Regulation 1266/1999

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procedures\textsuperscript{3}. Extended Decentralisation will, however, apply from the date of accession, 1\textsuperscript{st} May 2004, at the latest.

The National Aid Co-ordinator (NAC) will have overall responsibility for programming and monitoring of Phare programmes. The National Authorising Officer (NAO) and the Project Authorising Officers (PAO) will ensure that the programmes are implemented in line with the procedures laid down in the EDIS Implementation Agreement and/or the DIS Manual as well as the other instructions of the Commission, and that all contracts required to implement the Financing Memorandum are awarded using the procedures and standard documents defined and most recently published by the European Commission for the implementation of External Actions.

The NAC and the NAO shall be jointly responsible for co-ordination between Phare (including Phare CBC), ISPA and SAPARD as well as the Structural and Cohesion Funds.

The National Fund (NF) in the Ministry of Finance, headed by the NAO, will supervise the financial management of the Programme, and will be responsible for reporting to the European Commission. The NAO shall have overall responsibility for financial management of the Phare funds. He shall ensure that the Phare rules, regulations and procedures pertaining to procurement, reporting and financial management as well as Community state aid rules are respected, and that a reporting and project information system is functioning. This includes the responsibility of reporting all suspected and actual cases of fraud and irregularity. The NAO shall have the full overall accountability for the Phare funds of a programme until the closure of the programme.

\textbf{b.) Project size}

The Phare contribution to each of the two conversion/construction projects is € 1 million. This size must be seen against the background of size of the overall annual contribution to the CBC programme on the border between Slovenia and Italy of € 2.5 million.

\textbf{c.) Deadline for contracting and execution of contracts; programming deadline}

All contracts must be concluded by 30\textsuperscript{th} November 2005.

Execution of all contracts must end by 30\textsuperscript{th} November 2006. Budgetary commitments which have not given rise to payments during three years counted from the date of the legal commitment will be decommitted.

\textbf{d.) Clearance of Accounts Procedure and Recovery of Funds}

A clearance-of-accounts procedure in line with Art. 53 para 5 of the Financial Regulation\textsuperscript{4} and Art. 42 of the Implementing Rules to the Financial Regulation\textsuperscript{5} will be put in place.

\textsuperscript{3} in accordance with the rules set down in the Council Regulation 1605/2002 (Financial Regulation), the Commission Regulation 2342/2002 (Implementing Rules of the Financial Regulation) and the annex of Council Regulation 1266/1999

\textsuperscript{4} Council Regulation 1605/2002 of 25 June 2002

\textsuperscript{5} Commission Regulation 2342/2002 of 23 December 2002
Any proven irregularity or fraud\(^6\) discovered at any time during the implementation of the programme will lead to the recovery of funds by the Commission.

If the implementation of a measure appears not to justify either a part or the whole of the assistance allocated, the Commission is to conduct an appropriate examination of the case, in particular requesting the beneficiary country to submit its comments within a specified period of time and to correct any irregularity.

Following the examination referred to in the previous paragraph, the Commission may reduce, suspend or cancel assistance in respect of the measures concerned if the examination reveals irregularity, an improper combination of funds or a failure to comply with one of the conditions in the financing memorandum and in particular any significant change affecting the nature or conditions of implementation of the measure for which the Commission’s approval has not been sought. Any reduction or cancellation of the assistance is to give rise to recovery of the sums paid.

Where the Commission considers that an irregularity has not been corrected or that all or part of an operation does not justify either all or part of the assistance granted to it, the Commission is to conduct a suitable examination of the case and request the beneficiary country to submit its comments within a specified period. After the examination, if the beneficiary country has undertaken no corrective measures, the Commission may:

(a) reduce or cancel any advance;
(b) cancel all or part of the assistance granted to the measure.

The Commission is to determine the size of a correction taking into account the nature of the irregularity and the extent of any failures in the management and control systems.

Any funds not used by the expiry date of the programme will be recovered by the Commission. A final written declaration with supporting documentation shall be issued by the NAO 2 months after all payments have been made, showing the total amount contracted and disbursed. A final bank reconciliation showing the existing balances in the NF/IA/CFCU shall also be enclosed.

Notwithstanding the recovery of unused and ineligible funds after expiry of the Financing Memorandum, a complementary recovery order may be issued after the final audit of the reliability and consistency of contracts and disbursements as well as their compliance with the provisions of the Financing Memorandum has been carried out, taking into account the independent opinion of the final audit.

The National Authorising Officer will ensure the reimbursement of any unused funds or any sum wrongly paid within sixty calendar days of the date of notification. If the NAO does not repay the amount due to the Community, the beneficiary country shall refund this amount to the Commission. Interest on account of late payments shall be charged on sums not repaid by applying the rules specified in the Financial Regulation governing the Community Budget.

\(^6\) As defined under number 8a (Audit and Anti-fraud Measures by the Candidate Countries) of this document
e.) Financial Flows

The Commission will transfer funds to the NF in accordance with the Memorandum of Understanding signed between the Commission and Slovenia in December 1998. Funds will be transferred following requests from the NAO onto a separate bank account, denominated in €, which will be opened and managed by the NF in the Central Bank.

aa) Transfer of Funds to the National Fund

A first transfer of up to 20% of the funds to be managed locally, representing pre-financing\(^7\) will be sent to the NF following signature of the Financing Memorandum and the Financing Agreements (FAs) between the NF and the Implementing Agencies (IAs)/Central Finance and Contracts Unit (CFCU). 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 PAOs and a description of the system put in place, highlighting the flow of information between the NF and the IA/CFCU and the manner in which the payment function will be carried out.

Two further transfers of up to 30% each of the funds to be managed locally will be made. The second transfer will be triggered when 5% of the budget has been disbursed by the IAs and the CFCU. The third transfer may be requested when 35% of the total budget in force has been disbursed. A fourth transfer will be made when 70% of the total budget in force is disbursed and when all expenditure has been incurred (i.e. full contracted). No later than 2 months after all payments have been made the National Fund will submit a final declaration of expenditure, which will trigger a balancing operation of all transfers against final certified expenditure incurred, which at that point will be equal to payments made. (closure of expenditure)\(^8\).

Exceptionally the NAO may request payment of more than the percentages mentioned above in accordance with the procedures laid down in the aforesaid Memorandum of Understanding. Save for express prior authorisation from the Commission HQs, no interim payments may be made if the trigger points mentioned above have not been respected.

bb.) Transfer of Funds to the Implementing Agencies

The National Fund will transfer funds to the Central Financing and Contracting Unit (CFCU), in accordance with Financing Agreements (FA) signed between the NF and the CFCU. Bank accounts for sub-programmes shall be opened in the name of the relevant Implementing Agency/CFCU in charge of the financial administration of the sub-programme in line with Art. 13 of the MoU on the Establishment of the National Fund.

Under DIS, each individual FA will be endorsed in advance by the European Commission. In cases where the NF is itself the paying agent for the CFCU/IA there will be no transfer of funds from the NF to the CFCU/IA. The CFCU and the IAs must each be headed by a Programme Authorising Officer (PAO) appointed by the NAO after consultation with the NAC. The PAO will be responsible for all the operations carried out by the relevant CFCU/IA.

\(^7\) as defined in Art. 81.1.b.ii of the Financial Regulation
\(^8\) as defined in Art. 105 of the Implementing Rules
For those contracts with funds retained for a warranty period 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. 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.

c.) Interest

In principle, all bank accounts\(^9\) 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.

\(f\). Implementing Agencies will be responsible for sub-programmes as follows:

The CFCU as Implementing Agency will be responsible for all sub-programmes.

Additionally, the following institution will play an important technical role:

<table>
<thead>
<tr>
<th>Sub-programme and Project</th>
<th>Implementing Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBC Slovenia/Italy</td>
<td></td>
</tr>
<tr>
<td>2003/004-940-01 - Primorska Technological Poles</td>
<td>National Agency for Regional Development</td>
</tr>
<tr>
<td>2003/004-940-02 - Small Projects Grant Scheme</td>
<td>National Agency for Regional Development</td>
</tr>
</tbody>
</table>

\(g\). Environmental Impact Assessment and Nature Conservation

The procedures for environmental impact assessment as set down in the EIA-directive\(^10\) 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. If a project would fall within the scope of annex I or annex II of the EIA Directive, the carrying out of the EIA-procedure must be documented\(^11\).

If a project is likely to affect sites of nature conservation importance, an appropriate assessment according to Art. 6 of the Habitats-Directive\(^12\) must be documented\(^13\).

All investment projects shall be carried out in compliance with the relevant Community environmental legislation. The Project Fiches will contain specific clauses on compliance with the relevant EU-legislation in the field of the environment according to the type of activity carried out under each investment project.

\(^{9}\) in particular, but not exclusively, accounts run by the NF, the CFCU and IAs
\(^{10}\) DIR 85/337/EEC; OJ L 175/40; 5.7.1985; as amended by DIR 97/11/EEC; OJ L 73/5; 14.3.1997
\(^{11}\) in Annex EIA to the corresponding investment project fiche
\(^{12}\) DIR 92/43/EEC; OJ 206/7; 22.7.1992
\(^{13}\) in Annex Nature Conservation to the corresponding investment project fiche
h.) Special rules for certain components for the programme

CBC Small Projects Fund

The Small Projects Fund will finance projects below € 50,000 (PHARE contribution). It will not include physical investments other than small infrastructure not generating substantial net revenue.

For the CBC Small Project Fund, up to 7% of the PHARE contribution may be used for expenditure relating to the preparation, selection, appraisal and monitoring of the assistance.

4. MONITORING AND EVALUATION

Project implementation of this programme will be monitored through the Joint Monitoring Committee (JMC). It includes the NAO, the NAC and the Commission services. 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. Furthermore the JMC will review the progress of all pre-accession EU-funded assistance programmes once a year (PHARE, ISPA and SAPARD).

For the PHARE programme, the JMC will be assisted by Sectoral Monitoring Sub-Committees (SMSC) which will include the NAC, the PAO of each Implementing Agency (and of the CFCU where applicable) and the Commission Services. The SMSC will review in detail the progress of each programme, including its components and contracts, assembled by the JMC into suitable monitoring sectors. Each sector will be supervised by one SMSC on the basis of regular monitoring reports produced by the Implementing Agency, and interim evaluations undertaken by independent evaluators. The SMSC will put forward recommendations on aspects of management and design, ensuring these are effected. The SMSC will report to the JMC, to which it will submit overall detailed opinions on all Phare financed programmes in its sector.

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

5. AUDIT AND ANTI-FRAUD MEASURES

a.) By the Candidate Countries

Each year an audit plan and a summary of the findings of the audits carried out shall be sent to the Commission. Audit reports shall be at the disposal of the Commission.

Appropriate financial control shall be carried out by the competent national financial control authority with respect to the implementation of the programme.

Beneficiary countries shall ensure investigation and satisfactory treatment of suspected and actual cases of fraud and irregularity following national or Community controls.

Irregularity shall mean any infringement of a provision of national or Community law, this Financing Memorandum or ensuing contracts or resulting from an act or omission by an

\[14\] in accordance with the rules set down in Art. 54 of the Financial Regulation

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economic operator, which has, or would have, the effect of prejudicing the general budget of the Communities or budgets managed by them, either by reducing or losing revenue accruing from own resources collected directly on behalf of the Communities, or by an unjustified item of expenditure.

Fraud shall mean any intentional act or omission relating to:

(i) the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the general budget of the European Communities or budgets managed by, or on behalf of, the European Communities,

(ii) non-disclosure of information in violation of a specific obligation, with the same effect,

(iii) the misapplication of such funds for purposes other than those for which they are originally granted.

The national authorities shall ensure the functioning of a control and reporting mechanism equivalent to the one foreseen in Commission Regulation 1681/94\textsuperscript{16}.

In particular, all suspected and actual cases of fraud and irregularity as well as all measures related thereto taken by the national authority must be reported to the Commission services without delay. Should there be no suspected or actual cases of fraud and irregularity to report, the beneficiary country shall inform the Commission of this fact within two months following the end of each quarter.

b.) By the Commission

All Financing Memoranda as well as the resulting contracts are subject to supervision and financial control by the Commission (including the European Anti-fraud Office) and audits by the Court of Auditors. This includes on-the-spot checks and, as long as the Extended Decentralisation System is not yet applicable to the Implementing Agencies in the Candidate Country concerned, measures such as ex-ante verification of tendering and contracting carried out by the Delegation in the Candidate Country concerned.

In order to ensure efficient protection of the financial interests of the Community, the Commission may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (Euratom, EC) No. 2185/96\textsuperscript{17}.

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.

\textsuperscript{15} defined as the entirety of Community rules applicable between the Parties of the Financing Memorandum (for example the Europe Agreements, the Framework Agreement, the Memorandum of Understanding on the Establishment of the National Fund etc.).

\textsuperscript{16} OJ L 178; 12.7.94; p. 43-46

\textsuperscript{17} OJ L 292; 15.11.1996; p. 2-5
6. **VISIBILITY / PUBLICITY**

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

7. **SPECIAL CONDITIONS**

In the event that agreed commitments are not met for reasons which are within the control of the Government of the Republic of Slovenia, 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.