

COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMISSION COMMUNICATION TO THE COUNCIL

Opening-up of Community programmes to the associated countries of Central and Eastern Europe in line with the conclusions of the European Council meeting in Copenhagen on 21 and 22 June 1993

COMMISSION COMMUNICATION TO THE COUNCIL

Subject: Opening-up of Community programmes to the associated countries of Central and Eastern Europe in line with the conclusions of the European Council meeting in Copenhagen on 21 and 22 June 1993

1. The European Council, meeting in Copenhagen on 21 and 22 June 1993, agreed that "future cooperation with the associated countries shall be geared to the objective of membership which has now been established" and "invited the Commission to make proposals before the end of the year for opening up further programmes to the associated countries, taking as a point of departure those programmes which are already open for participation by the EFTA countries", the aim being to encourage the integration of the countries concerned with the Community.

This communication was drawn up in response to that invitation.

2. In addition to the programmes already created by the Community specifically for the Central and Eastern European countries, such as PHARE, TEMPUS, OUVERTURE, ECOS and COPERNICUS, which are not dealt with by this communication, their participation is already under way in a number of Community programmes in the true sense of the term, i.e. programmes formally established by the Council, and also in a number of programmes, activities, networks and observatories set up by the Commission.

This includes five programmes that have been opened up to the countries of Central and Eastern Europe under the third framework programme of Community activities in the field of research, technological development and demonstration (environment, biomedical research, non-nuclear energy, nuclear safety, human capital and mobility), the MEDIA programme (on a contractual, interim basis) and certain social and cultural activities.

Participation by Central and Eastern European countries in Community programmes nevertheless remains extremely limited. In the wake of the European Council's decision, and given the existence of numerous programmes covering virtually every field, plus the entry into force of the first Europe Agreements on 1 February 1994, a significant expansion of the opening up of programmes is necessary.

In promoting the associated countries' participation in new programmes, it is important to distinguish between:

- programmes which they can join immediately, either because the programme's legislative framework is sufficiently flexible, or because it can be carried out without legislation; and
- programmes for which the opening-up requires a legal act.

The Commission is determined to involve the countries concerned as quickly and closely as possible in the first category of programmes, while legislative measures will have to be looked at for the second.

These Community programmes will join programmes specially designed for the Central and Eastern Europe, and synergies will be sought both with those programmes and with the Member States' bilateral activities. This will contribute to the implementation of the Europe Agreements' economic and cultural cooperation provisions, and will help the countries integrate with the Community, preparing the way for accession. Participation will be complementary to the approximation of their legislation with that of the Union and subject to the procedures and mechanisms governing each field. It will also allow the associated countries to familiarize themselves with the management methods used in Community programmes in a wide range of fields.

3. The programmes "already open for participation by the EFTA countries" were identified by the European Council as the "point of departure" for the associated Central and Eastern European countries.

With the entry into force of the European Economic Area Agreement, the participation of the EFTA-EEA countries became part of a dynamic overall cooperation framework, based on Part VI and Protocols 31 and 32 of the EEA Agreement, which stipulate that the EFTA countries:

- have access to all parts of a programme covered by Protocol 31;
- have the same rights and obligations (except voting rights) as Community Member States on the committees that help the Commission to implement programmes;
- must contribute financially to the programmes in proportion to their GDP.

Responsibility for implementation resides with the EEA Joint Committee, a flexible forum for consultations and exchanges of information that will ensure that each individual cooperation programme is implemented in the most appropriate manner.

The participation of associated Central and Eastern European countries in cooperation programmes will have to be a gradual, pragmatic process, based on the example of the EFTA countries, but also making due allowance for their particular features, often bound up with such factors as the transition process, the absorption capacity of the countries concerned and their limited financial resources.

4. In the light of the above, and by analogy with the EEA Agreement, it is proposed that additional protocols to the Europe Agreements be concluded with the associated countries in Central and Eastern Europe on the basis of the following principles:

- (i) they can take part in framework programmes, special programmes, projects or other initiatives in a number of fields, starting with those listed in Protocol 31 to the EEA Agreement (Article 1), namely:

- research and technological development
- information services
- environment
- education, training and youth
- social policy and health
- consumer protection

- small and medium-sized enterprises
- tourism
- culture
- audiovisual sector
- civil protection, and
- trade promotion

The following fields have been added to the above list because of their importance to the countries of Central and Eastern Europe:

- energy
- transport, and
- the fight against drugs and drug addiction

By analogy with the EEA Agreement, the parties may agree to add new fields of cooperation where they feel that this is in their common interest or would help realize the Europe Agreement's objectives.

Particular attention should be given to programmes and activities liable to promote the integration of the countries concerned with the Community, such as those facilitating market access and training or promoting integration in areas of mutual interest, e.g. infrastructure (particularly transport), telecommunications, energy and R&TD.

- (ii) The Association Councils will determine the conditions governing participation (Article 2). It will be up to the associated countries to identify their priorities for taking part in programmes, and to present them to the Association Councils, which will reach their decisions in accordance with the provisions of the Europe Agreements. The Community's position in the Association Council is in each case dictated by the EC or EAEC provisions governing a programme tabled for opening-up to one or more associated countries of Central and Eastern Europe.

Given the non-mixed character of the additional protocols, all the Association Councils, including those provided for in Europe Agreements that have still to enter into force, will be able to perform the tasks assigned to them in Article 2 of the additional protocols from the entry into force of those protocols. This is made possible by Article 5.

- (iii) The Central and Eastern European countries will themselves meet the additional costs entailed by their participation. If necessary, and subject to certain conditions, contributions may be made from the Community budget (Article 3). The countries concerned will therefore decide on a case-by-case basis on the financing of their participation in the programme, project or other activity of their choice from their national budgets. However, given the precarious financial and budgetary situation brought about by the transition process in those countries, additional financial support will doubtless have to be provided in many cases.

Those countries that so wish will also be able to draw on PHARE funds to finance their participation in programmes. Where relevant, the PHARE contribution will be included in the national indicative programmes (NIP) and determined following the usual programming procedure (setting priorities, contribution to reform, etc.). A limited share from PHARE, not exceeding 10% of the NIP total, may be used for this purpose.

From 1995 onwards a new budget item concerning the opening-up of Community programmes to associated Central and Eastern European countries should therefore be created in subsection B7 (cooperation with developing countries and other third countries) of the Community budget. When implementing the new initiatives the Community support must take account of the Community's budgetary situation.

5. Conclusion

In response to the request issued by the European Council in Copenhagen, the Commission proposes that the Council:

- note its determination to involve the associated Central and Eastern European countries as quickly and as closely as possible in the programmes, observatories, networks and other activities for which it is responsible;
- authorize it to negotiate additional protocols to the Europe Agreements with the associated Central and Eastern European countries on the basis of the following principles, which feature in the draft protocol annexed to this document:
 - the associated Central and Eastern European countries may participate in programmes of interest to them in certain fields, starting with those specified in Protocol 31 to the EEA Agreement. Further fields may be added by common consent, with special emphasis on programmes liable to help integrate the countries concerned with the Community;
 - the Association Councils will determine the conditions governing such participation; the associated countries will submit their requests to the Councils;
 - the countries concerned will themselves meet the costs entailed by their participation. If necessary, and subject to certain conditions the Community budget may contribute:

Either through PHARE up to a maximum amount of 10% of the PHARE National Indicative Programme;

Or through the new article in subsection B7 of the Community budget from 1995 onwards (this depends on the availability of budget resources);

Or through actions under the 4th Framework Programme on RTD, subsection B6.

EXPLANATORY MEMORANDUM

At its meeting in Copenhagen on 21 and 22 June 1993, the European Council invited the Commission to draw up proposals for opening up further programmes to the associated Central and Eastern European countries taking as a point of departure those programmes which are already open for participation by the EFTA countries.

The participation of those countries in Community programmes will play a major part in integrating them with the Union, and will be in keeping with the new orientation of cooperation to the objective of membership which is now shared by the Community.

The programmes for which the associated countries will be eligible, in line with procedures to be agreed on an ad hoc basis, will embrace both Community programmes in the strict sense of the term, i.e. those formally created by the Council, and programmes (including networks, observatories, etc.) organized under the aegis of the Commission.

The second type of programme can be opened up to the associated countries at short notice, but not the first, which will require a more complex process.

By analogy with the EEA Agreement, particularly Protocol 31, it is proposed to conclude additional protocols to the Europe Agreements with each of the associated Central and Eastern European countries. These protocols should incorporate the following principles :

- the associated countries of Central and Eastern Europe may participate in programmes in a certain number of fields, starting with those specified in Protocol 31 to the EEA Agreement;
- the Association Councils will determine the conditions governing such participation;
- the countries concerned will themselves meet the costs entailed by their participation. If necessary, and subject to certain conditions, contributions may be made from the Community budget (new budget article and PHARE).

Recommendation for a
COUNCIL DECISION

authorizing the Commission to negotiate an additional protocol to the
Europe Agreements between the European Communities and their Member States
and Bulgaria, the Czech Republic, Hungary,
Poland, Romania and Slovakia

The Commission is hereby authorized to open negotiations with Bulgaria, the Czech Republic, Hungary, Poland, Romania and Slovakia for the conclusion of additional protocols to the Europe Agreements establishing an association relationship with those countries on the basis of the principles set out in the draft annexed to this document.

It is authorized to do likewise with Slovenia as soon as the Europe Agreement with that country is signed.

COUNCIL DECISION

Subject: Opening-up of programmes to the associated countries of Central and Eastern Europe

The Commission is hereby authorized to open negotiations with Bulgaria, the Czech Republic, Hungary, Poland, Romania and Slovakia for the conclusion of Additional Protocols to the Europe Agreements establishing an association relationship with these countries on the basis of the principles set out in the draft attached at Annex I.

It is authorized to do likewise with Slovenia as soon as the Europe Agreement with that country is signed.

ADDITIONAL PROTOCOL

to the Europe Agreement between the European Communities and their Member States, of the one part, and Bulgaria, Hungary, Poland, Romania, Slovakia and the Czech Republic, of the other part

THE EUROPEAN COMMUNITY AND THE EUROPEAN ATOMIC ENERGY COMMUNITY, hereinafter referred to as "the Community",

of the one part and,

..., hereinafter referred to as "...",

of the other part,

Whereas the Europe Agreement establishing an association between the European Communities and their Member States and ... (hereinafter referred to as "the Europe Agreement") was signed in Brussels on ...,

Whereas the objectives of the Europe Agreement referred to in Article 1 thereof include the provision of an appropriate framework for ...'s gradual integration into the Community;

Whereas the Community and ... have agreed in Title VI and Title VII of the Europe Agreement to promote economic and cultural cooperation;

Whereas the European Council at its meeting in Copenhagen on 21 and 22 June 1993 welcomed the possibility offered to the associated countries of participating in Community programmes under the Europe Agreements;

Whereas the conclusions of the Presidency of the European Council meeting in Copenhagen on 21 and 22 June 1993 provide that future cooperation with the associated countries shall be geared to the objective of membership which has now been established, and that such cooperation will include the participation of the associated countries in Community programmes, with a view to fostering integration,

HAVE DECIDED to conclude this Protocol and to this end have designated as their plenipotentiaries:

THE EUROPEAN COMMUNITY

THE EUROPEAN ATOMIC ENERGY COMMUNITY

...

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

Article 1

... may participate in Community framework programmes, specific programmes, projects or other actions in the fields of:

- research and technological development
- information services
- the environment
- education, training and youth
- social policy and health
- consumer protection
- small and medium-sized enterprises
- tourism
- culture
- the audiovisual sector
- civil protection
- trade facilitation
- energy
- transport, and
- the fight against drugs and drug addiction

The parties may agree to add other fields of Community activities to those listed above, where it is considered to be of mutual interest or to contribute to the attainment of the objectives of the Europe Agreement.

Article 2

Without prejudice to the existing participation of ... in the activities referred to in Article 1, the Association Council established by the Europe Agreement shall decide the terms and conditions for the participation of ... in the activities referred to in Article 1.

Article 3

The financial contribution of ... to the activities referred to under Article 1 shall be based on the principle that ... shall meet the additional costs resulting from its participation.

If necessary the Community may decide, on a case-by-case basis, and pursuant to the rules applicable to the general budget of the European Communities, to pay a supplement to ...'s contribution.

The parties may agree that the relevant provisions of Title VIII of the Europe Agreement on financial cooperation shall apply.

Article 4

This Protocol shall enter into force on the first day of the second month following the date upon which the parties notify each other of the completion of the procedures necessary for that purpose.

Article 5

This Protocol shall be regarded as additional to the Europe Agreement between the Community and ... All general, institutional and final provisions shall apply accordingly as from the entry into force of this Protocol, even before the entry into force of the Europe Agreement.

Article 6

This Protocol shall be drawn up in duplicate in the Danish, Dutch, English, French, German, Greek, Italian, Portuguese, Spanish and ... languages, each of these texts being equally authentic.

FINANCIAL STATEMENT
(Information to be published in working papers)

Article B7-633: Opening-up of Community programmes to the associated countries of Central and Eastern Europe
(new heading)

ECU million

appropriations authorized 1994		appropriations requested 1995		variation (%)	
commitments 1	payments 2	commitments 3	payment 4	commit. 5=3/1	paym. 6=4/2
0	0	pm	pm	00	00

1. **Title of operation**
Opening-up of Community programmes to the associated countries of Central and Eastern Europe
2. **Budget heading involved**
B7-633
3. **Legal basis**
 - Europe Agreements ratified with Poland and Hungary, and in the process of being ratified with the Czech Republic, Slovakia, Bulgaria and Romania.
 - On the basis of preliminary expressions of interest from Central and Eastern European countries the following instruments could serve as legal bases provided they are amended with a view to opening them up to the associated Central and Eastern European countries:
 - Council Decision 90/685/EEC of 21 December 1990 on the implementation of an action programme to promote the development of the European audiovisual industry (MEDIA) - OJ No L 380, 31.12.1990.
 - Parliament and Council Decision 94/... of ... (adoption procedure under way for SOCRATES, LEONARDO AND YOUTH FOR EUROPE).
 - Council Decision 93/500/EEC of 13 September 1993 concerning the promotion of renewable energy sources in the Community (ALTENER programme) - OJ No L 235, 18.9.1993, p. 41.
 - Council Decision 91/565/EEC of 29 October 1991 concerning the promotion of energy efficiency in the Community (SAVE programme) - OJ No L 307, 8.11.1991, p. 34.

Council Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE) - OJ No L 206, 22.7.1992, p. 1.

Council Regulation (EEC) No 2008/90 of 29 June 1990 concerning the promotion of energy technologies in Europe (THERMIE programme) - OJ No L 185, 17.7.1990, p. 1.

These legal bases cannot, however, be determined definitively until the Association Councils have decided on the opening-up of the programmes concerned.

- Recommendations for Council Decisions concerning the specific programmes implementing the fourth European Community framework programme for research, technological development and demonstration activities (1994-1998) and for Community research and training activities for the European Atomic Energy Community (1994-1998) (COM(94) 68 final).
- Recommendation for a Council Decision authorizing the Commission to negotiate additional protocols to the Europe Agreements (Articles 228 and 238).

4. Description of operation

4.1 General objective

The European Council, meeting in Copenhagen on 21 and 22 June 1993, agreed that "future cooperation with the associated countries shall be geared to the objective of membership which has now been established" and "invited the Commission to make proposals before the end of the year for opening up further programmes to the associated countries, taking as a point of departure those programmes which are already open for participation by the EFTA countries", the aim being to encourage the integration of the countries concerned with the Community.

The participation of the associated Central and Eastern European countries in these Community programmes will help them integrate with the European Union in line with the decision taken at the June 1993 European Council. It will help implement the Europe Agreements' provisions on economic and cultural cooperation and enable the associated countries to familiarize themselves with the management methods used in Community programmes in a wide range of fields.

Among the Community programmes in which these countries have expressed interest, those in the field of human resources (SOCRATES, LEONARDO, YOUTH FOR EUROPE) are aimed at progressively establishing an open European space for education and vocational training and fostering the development of quality education, particularly through exchange activities in the broadest sense of the term.

The objective of the MEDIA programme is to promote the development of the audiovisual industry.

LIFE will provide technical and financial support to the associated countries to implement international conventions and resolve common or global problems in the field of the environment.

The three energy programmes (THERMIE, ALTENER and SAVE) are designed to promote the implementation of new energy technologies, activities to develop new and renewable energy sources and to make the use of forms of energy other than electricity more efficient.

The central objective of the fourth R&TD framework programme, which includes details of the activities to be undertaken in cooperation with non-member countries and international organizations, is to use targeted R&TD cooperation in tandem with other Community operations to improve the added value of Community R&TD, to improve the science and technology base of the Community and to back up other Community policies.

4.2 Duration of operation and arrangements for its extension

Five-year action programme (1995-99)

5. Classification of expenditure or revenue

5.1 Non-compulsory

5.2 Differentiated

5.3 Type of revenue involved = NOT APPLICABLE

6. Type of expenditure or revenue

- 100% subsidy;
- subsidy for joint financing with other sources in the public and/or private sectors.

Type of expenditure or revenue determined on basis of basic programmes.

7. Financial impact

7.1 Method of calculating total cost of operation in 1995 financial year (link between individual costs and overall cost)

As this is a start-up period for the Central and Eastern European countries' participation in Community programmes a "pm" is requested since the necessary appropriations cannot at present be estimated with any precision.

It should be noted that when the additional EC financial support is provided in the form of PHARE assistance it may not exceed 10% of the total of the National Indicative Programme.

7.2 Breakdown of operation into constituent parts

EC, ECU million

Breakdown	1994 Budget	1995 draft prelim. budget	Var. %
not applicable at this stage			-- -- --
TOTAL	0		--

7.3 Operational expenditure relating to studies, experts meetings, etc. included in Part B
NOT APPLICABLE
 (see Annex III to Commission communication of 22 April 1992, attached as Annex VIII)

7.4 Schedule for multiannual operations, giving amounts deemed necessary (entered in basic instrument)

Amount deemed necessary: ... million ecus **NOT APPLICABLE**

8. Anti-fraud measures planned (and results of implementation)

All the Commission's contracts, agreements and other legal commitments provide for on-the-spot controls by the Commission and the Court of Auditors. Among other things, the beneficiaries of the operations are obliged to file reports and financial statements. These are analysed from the point of view of their content and the eligibility of the expenditure in line with the objective of Community financing.

Anti-fraud operations are carried out by the Commission DGs responsible for the programmes concerned in conjunction with DG I and the Commission delegations.

9. Elements of cost-effectiveness analysis

9.1 Quantifiable specific objectives, target population

- Specific objectives: links with general objective;
- Target population: state where possible by objective and state the ultimate beneficiaries of the Community budget contribution and the intermediaries used.

9.2 Grounds for the operation

- Need for a Community budget contribution;
- Choice of means of intervention;
- Main factors of uncertainty which could affect the specific results of the operation.

9.3 Monitoring and evaluation of the operation

- Performance indicators selected;
- Details and frequency of planned evaluation;
- Assessment of the results obtained.

The elements of analysis of the basic budget headings apply to this heading, after adjustment to take account of the case of the Central and Eastern European countries.

(Elements for internal information)

9.4 Coherence with financial programming

- Is the operation incorporated in the financial programming of the DG for the years concerned?
- To which broader objective defined in the DG's financial programming does the objective of the proposed operation correspond?

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Any economic impact the additional protocols might have would necessarily be indirect. A precise evaluation is therefore impossible.