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Proposal for a

COUNCIL DECISION

concerning the Community position within the Association Council on the participation of Bulgaria in the Community programmes in the fields of health and social policy

Proposal for a

COUNCIL DECISION

concerning the Community position within the Association Council on the participation of Estonia in the Community programme in the field of health promotion, information, education and training

Proposal for a

COUNCIL DECISION

concerning the Community position within the Association Council on the participation of Hungary in the Community programmes in the fields of health and social policy

Proposal for a

COUNCIL DECISION

concerning the Community position within the Association Council on the participation of Lithuania in the Community programmes in the fields of health and social policy

Proposal for a

COUNCIL DECISION

concerning the Community position within the Association Council on the participation of Romania in the Community programmes in the fields of health and social policy

(presented by the Commission)

Explanatory Memorandum

On several occasions, the European Council has recognised the opening up of Community programmes to the participation of the associated countries of Central Europe as an important step forward in their preparation for accession. In the conclusions of its meeting of 12 and 13 December 1997 in Luxembourg, the European Council reiterated the importance of such participation, as a tool for making candidate countries acquainted with the Union's policies and working methods.

In addition to Community programmes in such fields as education, training, youth, culture and the audio-visual sector, environment and energy, it is now proposed to decide conditions and modalities for the participation of Bulgaria, Estonia, Hungary, Lithuania and Romania from 1998 onwards in programmes in the fields of health and social policy.

Through their participation in the Community's Public Health and Social Policy programmes, candidate countries will be able to demonstrate their intention to share the values and priorities of the Community by making a high level of health protection and equal opportunities between men and women a central political priority.

Participation in Public Health programmes is of particular importance for these five candidate countries, in that it will support them in their efforts to adapt to the health requirements and health standards prevailing in the Community's Member States and underpin their efforts to improve the health status of their populations.

In particular, it will

- help to integrate these countries into the European discussions and thinking on public health, prevention of diseases and dangers to public health, health education and promotion;
- support them in their efforts to collect and aggregate health-related information and data which is comparable to the situation in Community Member States;
- support health authorities, health professionals and other public health-related professions in these candidate countries (and in the Community) in sharing information and experience in the different priority areas of the programmes;
- support them in their efforts to develop prevention strategies against major health scourges identified at Community level (e.g. AIDS and other communicable diseases, cancer, drugs, etc.);
- help to promote the concept that health protection requirements shall form a constituent part of the Community's other policies.

Participation in the Fourth Action programme on equal opportunities for women and men will

- help to integrate candidate countries into the mainstream of European law on equal opportunities through participation in expert meetings, and thereby facilitate adoption of the legal acquis;
- help to raise awareness of the importance of the principles of European equality legislation vis-à-vis the public and social partners;
- promote equal opportunities in a changing economy, especially in the fields of education, vocational training and in the labour market;
- help to reconcile working and family life for men and women;
- help to promote a gender balance in decision-making;
- help to entitle women to exercise their rights;
- and give the relevant bodies the opportunity to cooperate in transnational projects for the promotion of equality and to benefit from a transnational exchange of best practice in the above-mentioned fields.

According to the provisions of the Europe Agreements or their Additional Protocols, participating candidate countries will meet themselves the costs resulting from their participation; they are, however, entitled to use part of their national Phare allocations for complementing the contribution from their own budgets. Bulgaria, Estonia, Hungary, Lithuania and Romania are the five candidate countries that so far officially confirmed their willingness to participate in programmes in the fields of health and social policy as from 1998 and to make available the necessary budgetary appropriations, as calculated by the Commission services. They envisage paying part of their financial contributions from their national budgets and part from their Phare allocations.

While Hungary and Romania intend to participate in all four Public Health programmes (Health Promotion, Combating Cancer, Prevention of Aids and other communicable diseases, Drug Dependence) and in the Equal Opportunities programme, Lithuania will participate in the latter three programmes, Bulgaria in Combating Cancer and Aids Prevention, and Estonia in Health Promotion only.

The main issues addressed in the annexed draft Decisions of the EC-Bulgaria, EC-Estonia, the EC-Hungary, the EC-Lithuania and the EC-Romania Association Councils adopting the terms and conditions for the participation of these countries in Community programmes in the fields of health and social policy are the following:

- these countries will take part in all the activities of the programmes in which they will participate; conditions for submission, assessment and selection of applications will be as far as possible in conformity with those prevailing in the Member States of the Community (Annex I, paragraphs 1 and 2);
- their financial contributions and the rules governing these contributions are defined in Annex I, paragraph 4 and in Annex II; for all five countries - be it in different degrees
 - funds from their respective national Phare allocations will supplement financial contributions of their own;

- to ensure the Community dimension of the programmes, a minimum number of partners from the Member States of the Community will be required.
- these countries will be associated to the monitoring of their participation in the Programmes (Annex I, paragraph 6).
- they will be invited to any co-ordination meeting prior to the meetings of the Programme Committees and will be informed about their results (Annex I, paragraph 7)
- the Decisions shall apply for the duration of the Programmes (i.e. 31.12.2000, Article 2 of the Decisions).

The adoption of Association Council Decisions to allow Bulgaria, Estonia, Hungary, Lithuania and Romania to participate in Community programmes in the fields of health and social policy as from 1998 will offer these countries the opportunity to actively integrate in the Community's policies in these areas, at a moment when accession negotiations are scheduled to start. It is, therefore, of considerable political importance.

Subject to their capacity to fulfil the relevant administrative and budgetary requirements and, in the case of Slovenia, to the entry into force of its Europe Agreement, other applicant countries should also be able to join the programmes in the course of their lifetime.

In order to allow the participation of Bulgaria, Estonia, Hungary, Lithuania and Romania in Community programmes in the fields of health and social policy as from 1998, the Council is requested to adopt the annexed draft Decisions.

Proposal for a
Council Decision
of ...

98/0153(CNS)

concerning the Community position within the Association Council on the participation of Bulgaria in the Community programmes in the fields of Health and Social policy

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 129, in conjunction with Article 228, paragraph 3, 1st alinea thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the Additional Protocol to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and Bulgaria, of the other part, has been concluded by Decision of the Council and the Commission of 4 December 1995.

Whereas according to Article 1 of the Additional Protocol, Bulgaria may participate in Community framework programmes, specific programmes, projects or other actions notably in the fields of Health and Social policy and, pursuant to Article 2, the terms and conditions of Bulgaria's participation in the activities referred to in Article 1 shall be decided by the Association Council,

Whereas, Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000)¹ and in particular Article 6(2) thereof and Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000)² and in particular Article 6(2) thereof, provide that these programmes shall be open to the participation of associated Central European countries in accordance with the conditions set out in the Additional Protocols to the Association Agreements on participation in Community programmes.

HAS DECIDED AS FOLLOWS:

¹ OJ No L 95/9 of 16.04.1996

² OJ No L 95/16 of 16.04.1996

The position to be taken by the Community within the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and Bulgaria, of the other part, concerning the participation of Bulgaria in Community Programmes in the fields of Health and Social policy is that set out in the attached draft decision of the Association Council.

Done at Brussels,

For the Council,

**Draft Decision n°..../98 of the EC-Bulgaria Association Council of.....1998
adopting the terms and conditions for the participation of Bulgaria in Community
Programmes in the fields of Health and Social policy**

The ASSOCIATION COUNCIL

Having regard to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Bulgaria of the other part,¹

Having regard to the Additional Protocol to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part, concerning Bulgaria's participation in Community programmes², and in particular Article 1 and 2 thereof,

Whereas according to Article 1 of the said Additional Protocol, Bulgaria may participate in Community framework programmes, specific programmes, projects or other Community actions notably in the fields of Health and Social policy,

Whereas according to Article 2 of the said Additional Protocol the terms and conditions for the participation of Bulgaria in the activities referred to in Article 1 are to be decided by the Association Council,

HAS DECIDED AS FOLLOWS:

Article 1

Bulgaria shall participate in the European Community programmes Combating cancer and Prevention of AIDS and other communicable diseases according to the terms and conditions set out in Annexes I and II which shall form an integral part of this Decision.

Article 2

This Decision shall apply until 31 December 2000.

Article 3

This Decision shall enter into force on the first day of the month following its adoption.

For the Association Council

Done at

The Chairman

¹ OJ N° L358 of 31.12.1994

² OJ N° L317 of 30.12.1995

ANNEX I

Terms and conditions for the participation of Bulgaria in the Programmes Combating cancer and Prevention of AIDS and other communicable diseases.

1. Bulgaria shall participate in all activities of the programmes Combating cancer and Prevention of AIDS and other communicable diseases (hereinafter called "the Programmes") in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and deadlines as defined in Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof and Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof,
2. The terms and conditions for the submission, assessment and selection of applications related to eligible institutions, organisations and individuals of Bulgaria will be as far as possible in conformity with those prevailing in the Member States of the Community.
3. To ensure the Community dimension of the Programmes, transnational projects and activities proposed by Bulgaria will be required to include a minimum number of partners from the Member States of the Community. This minimum number will be decided in the framework of the implementation of the Programmes, taking into account the nature of the various activities, the number of partners in a given project, and the number of countries participating in the Programmes.
4. Bulgaria will pay each year a contribution to the general budget of the European Communities to cover the costs resulting from its participation in the Programmes (see Annex II). The Association Committee is entitled to adapt this contribution whenever necessary.
5. The Member States of the Community and Bulgaria will make every effort, within the framework of the existing provisions, to facilitate the free movement and residence of all eligible persons to the programmes moving between Bulgaria and the Member States of the Community for the purpose of participating in activities covered by the Decision.
6. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Community in relation to the monitoring and evaluation of the programmes pursuant to the Decisions concerning Combating cancer and Prevention of AIDS and other communicable diseases, (Articles 7 and 7 respectively), the participation of Bulgaria in the Programmes will be continuously monitored on a partnership basis involving Bulgaria and the Commission of the European Communities. Bulgaria will submit the necessary reports to the Commission and take part in other specific activities set out by the Community in that context.

7. Without prejudice to the procedures referred to in Article 5 of the Decision on Combating cancer and Article 5 of the Decision on Prevention of AIDS and other communicable diseases, Bulgaria will be invited to any co-ordination meeting on any question concerning the implementation of this Decision prior to the regular meetings of the Programme Committees. The Commission will inform Bulgaria about the results of such regular meetings.

8. The language to be used as regards the application process, contracts, reports to be submitted and other administrative arrangements for the Programmes, will be one of the official languages of the Community.

ANNEX II

FINANCIAL CONTRIBUTION OF BULGARIA TO COMBATING CANCER AND PREVENTION OF AIDS AND OTHER COMMUNICABLE DISEASES

1. The financial contribution of Bulgaria will cover;
 - financial support from the Programmes to Bulgarian participants,
 - supplementary costs of an administrative nature related to the management of the Programmes by the Commission stemming from Bulgaria's participation.
2. For every financial year, the aggregated amount of subsidies or any other financial support received from the Programmes by the Bulgarian beneficiaries will not exceed the contribution paid by Bulgaria, after deduction of the supplementary administrative costs.

Should the contribution paid by Bulgaria to the general budget of the European Communities, after deduction of the supplementary administrative costs, be higher than the aggregated amount of subsidies or other financial support received by the Bulgarian beneficiaries from the Programmes, the Commission will transfer the balance to the next budgetary exercise, and it will be deducted from the following year's contribution. Should such a balance be left when the Programmes come to an end, the corresponding amount will be reimbursed to Bulgaria.

3. Combating cancer

Bulgaria's annual contribution will be of ECU 71.914 from 1998. From this sum, an amount of ECU 4.704 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Bulgaria's participation.

4. Prevention of AIDS and other communicable diseases

Bulgaria's annual contribution will be of ECU 55.319 from 1998. From this sum, an amount of ECU 3.619 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Bulgaria's participation.

5. The financial regulations applicable to the general budget of the Community will apply, notably to the management of the contribution of Bulgaria.

Upon entry into force of this Decision and at the beginning of each following year, the Commission will send to Bulgaria a call for funds corresponding to its contribution to the costs under this Decision.

This contribution will be expressed in ECU and paid into an ECU bank account of the Commission.

Bulgaria will pay its contribution to the annual costs under this Decision according to the call for funds and at the latest three months after the call for funds is sent. Any delay in the payment of the contribution shall give rise to the payment of interest by Bulgaria on the outstanding amount from the due date. The interest rate corresponds

to the rate applied by the European Monetary Co-operation Fund, for the month of the due date, for its operations in ECU, increased by 1,5 percentage points.

6. Bulgaria will pay the supplementary costs of an administrative nature referred to in paragraph 3 and 4 from its national budget.
7. For the programme "Combating cancer" Bulgaria will pay 20% (ECU 13.442) in 1998, 40% (ECU 26.884) in 1999 and 60% (ECU 40.326) in 2000 of the remaining cost of its participation from its national budget.

Subject to regular Phare programming procedures, the remaining 80% (ECU 53.768) in 1998, 60% (ECU 40.326) in 1999 and 40% (ECU 26.884) in 2000 will be paid from Bulgaria's annual Phare allocation.

For the programme "Prevention of Aids and other communicable diseases" Bulgaria will pay 20% (ECU 10.340) in 1998, 40% (ECU 20.680) in 1999 and 60% (ECU 31.020) in 2000 of the remaining cost of its participation from its national budget.

Subject to regular Phare programming procedures, the remaining 80% (ECU 41.360) in 1998, 60% (ECU 31.020) in 1999 and 40% (ECU 20.680) in 2000 will be paid from Bulgaria's annual Phare allocation.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Participation of Bulgaria in programmes Combating cancer and Prevention of AIDS and other communicable diseases

2. BUDGET HEADING INVOLVED

B7-503 - Opening of Community Programmes to the associated countries of Central Europe

3. LEGAL BASIS

Treaty establishing the European Community, and in particular Article 129 , in conjunction with Article 228, paragraph 3, 1st alinea thereof.

Additional Protocol to the Europe Agreement with Bulgaria of 4 December 1995, (entry into force : 1 August 1996) providing for the opening-up of Community programmes (OJ No 317/24 of 30 December 1995)

Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof.

Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof.

4. DESCRIPTION OF OPERATION:

4.1 General objective

Bulgaria's participation in the two Community programmes concerned will come in addition to those Community programmes in which it is going to participate from 1998 on : Youth for Europe, Save, SME and three cultural programmes and will further contribute to its preparation for accession as a key feature of a reinforced preaccession strategy. It will also enable Bulgaria to familiarise itself with the procedures and methods used in Community programmes in the fields of Health and Social policy.

The decision-making process for the opening-up of programmes involves a decision by the Association Council between the Union and the associated country. This decision also lays down the practical arrangements for opening up the programmes.

The Additional Protocol with Bulgaria entered into force on 1 August 1996 and provides for Bulgaria's participation in a wide range of areas, amongst which Health and Social policy.

Other Community programmes, notably in the fields of culture, energy, the environment, SMEs, research etc, have been or will shortly be opened up to the associated countries of Central Europe.

4.2 Period covered and arrangements for renewal

Until the end of the Community programmes concerned, i.e. 31.12.2000. The PHARE contribution, however, is dependent on decisions taken as regards the budget after 1999.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved:

Since the first paragraph of Article 3 of the Additional Protocol stipulates that Bulgaria itself will meet the costs resulting from its participation, it will be invited to transfer its contribution to item 6091 of the EU's budget receipts. However, as the second paragraph of Article 3 states that the Community may supplement Bulgaria's contribution (through its national Phare allocation), Bulgaria will contribute only part from its national budget, with the remainder being charged to heading B7-503. A transfer from the relevant Phare appropriations (article B7-500) to article B7-503 will be made upon receipt of Bulgaria's contribution.

6. TYPE OF EXPENDITURE OR REVENUE

- 100% subsidy
- subsidy for joint financing with other sources in the public and/or private sector
- no provision for all or part of the Community contribution to be reimbursed

As far as revenue is concerned, provision for Bulgaria's contribution to cover the cost of its participation is made under item 6091. The revenue will be allocated to the items for expenditure on the two programmes in question and, where appropriate, to the relevant items of operating expenditure.

The total revenue expected is given under item 7.4.

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation for 1998, 1999 and 2000 financial years (link between individual costs and total cost)

The calculation is based on the following preconditions:

- each partner country's contribution to the financing of the activities referred to in the Protocol is calculated according to the principle that the country bears the cost of participation itself. Heading 6091 has been created in the statement of budget revenue for that purpose;
- the Community may decide on a case-by-case basis to pay a supplement to the partner country's contribution. The supplement may be in the form of a contribution under the national PHARE programme.

Based on the Additional Protocol with Bulgaria, the financial and budgetary arrangements for the two programmes concerned are as follows: the costs have been calculated on the basis of various parameters inherent in the two programmes, i.e. GDP per capita as weighted with PPP (purchasing power parities), population, and health expenditure.

The cost of Bulgaria's participation in Combating cancer will be ECU 71.914 from 1998.

For prevention of AIDS and other communicable diseases the annual contribution will be ECU 55.319 from 1998.

The above-mentioned figures, from which the supplementary administrative costs -to be borne exclusively by Bulgaria- have to be deducted, are divided per year and per programme as follows. 20% in 1998, 40% in 1999 and 60% in 2000 of the operational costs will be covered from Bulgaria's national budget and - subject to the procedures for programming the Phare programme - 80% in 1998, 60% in 1999 and 40% in 2000 from the annual Phare budget for Bulgaria.

7.2 Itemised breakdown of cost

		in ECU					
Programme		1998	1999	2000	Total	Of which Bulgaria	Of which Phare
Combating cancer		67.210	67.210	67.210	201.630	80.652	120.978
AIDS prevention		51.700	51.700	51.700	155.100	62.040	93.060
Total		118.910	118.910	118.910	356.730	142.692	214.038

7.3 Operational expenditure on studies, expert meetings, etc., included in Part B: None

7.4 Schedule for multiannual operations

Amounts to be charged to item B7-503

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	95.128	71.346	47.564			214.038
Payment appropriations (*)						
1998	46.340	36.658	12.130			95.128
1999		34.890	28.438	8.018		71.346
2000			21.484	18.330	7.750	47.564
subsequent years						
Total	46.340	71.548	62.052	26.348	7.750	214.038

Combating Cancer:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	53.768	40.326	26.884			120.978
Payment appropriations*						
1998	25.700	20.648	7.420			53.768
1999		20.100	15.548	4.678		40.326
2000			11.374	10.430	5.080	26.884
subsequent years						
Total	25.700	40.748	34.342	15.108	5.080	120.978

Prevention of AIDS and other communicable diseases

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	41.360	31.020	20.680			93.060
Payment appropriations*						
1998	20.640	16.010	4.710			41.360
1999		14.790	12.890	3.340		31.020
2000			10.110	7.900	2.670	20.680
subsequent years						
Total	20.640	30.800	27.710	11.240	2.670	93.060

(*) Schedule based on the method of payment currently applying to these programmes

The foreseeable annual receipts are as follows:

Item 6091	1998	1999	2000	subsequent years	TOTAL
operational part	23.782	47.564	71.346		142.692
administrative part	8.323	8.323	8.323		24.969
Total	32.105	55.887	79669		167.661

8. FRAUD PREVENTION MEASURES; RESULTS OF MEASURES TAKEN

All the Commission's contracts, agreements and other legal commitments provide for on-the-spot checks by the Commission and 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.

The anti-fraud provisions of the basic budget headings apply to this heading too when adapted to the case of the countries of Central and Eastern Europe.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1. Specific and quantified objectives; target population

Concerning the Health Programmes, each programme covers a specific and targeted population and defines yearly priorities covering target objectives. Minorities, low income citizens and all those whose quality of life is below average are more at risk and have lower health status. Particular attention will therefore be paid to this population.

9.2. Grounds for the operation

- *Need for Community financial aid*

In view of the high cost of participation in the programmes and Bulgaria's precarious budgetary situation, assistance from PHARE as provided for in Article 3(2) of the Additional Protocol is essential.

- *Choice of ways and means*

With a contribution from Bulgaria's national budget, supplemented by one from PHARE, Bulgaria's participation will contribute to getting acquainted with the internal policies and proceedings of the Community in the fields of Health and Social policy. The integration of Bulgarian nationals in Community networks will make a definite contribution to preparing Bulgaria for future membership.

- *Main factors of uncertainty which could affect the specific results of the operation*

Since projects will be selected according to qualitative criteria, it will only be possible to measure the real impact on the basis of Bulgarian entities' and citizens' capacity to respond to the calls for proposal to be launched by the Commission under the two programmes.

9.3 Monitoring and evaluation of the operation

The monitoring and evaluation procedures included in the Combating cancer and AIDS prevention programmes (notably in respect of evaluation, as included in the decisions establishing the two programmes) will also cover operations financed for Bulgarian beneficiaries.

10. ADMINISTRATIVE EXPENDITURE

The administrative resources required will actually be mobilised following the annual Commission Decision on the allocation of resources, taking account in particular of manpower and additional amounts granted by the budgetary authority. The supplementary needs can not, in any case, prejudice the decision that the Commission will need to take concerning:

- a) the request of new posts in the framework of the APB
- b) the resources allocation

10.1 Effect on the number of posts (in man/years)

Type of post	Staff required to manage the operation		Source		duration
	Permanent posts	Temporary posts	Existing resources of the DG or department concerned	Additional resources	1998-2000
Officials or temporary staff					
A			0.5 (1)		
B			0.2 (2)		
C					
Other resources (Technical assistance, A-7002)					
TOTAL			0.7		from 1998

(1) 0.25 per programme

(2) 0.1 per programme

10.2 Overall financial impact of the human resources

(in ECU)

	Total	Method of calculation (total cost of the action for the period 1998-2000)
Officials*	226.800	0.7 man/year (ECU 108.000/year) x 3 years
Temporary staff		
Other resources (Technical assistance, item A-7002)		
TOTAL	226.800	

* By using existing resources required to manage the operation (calculation based on titles A-1, A-2, A-4, A-5 and A-7).

The expenditure of item A-7002 (technical assistance) will be met from the receipts (art. 482, third indent of the Financial Regulation) received from the Bulgarian participation in Community programmes (see 5.3. of the Financial Statement).

10.3 Increase in other administrative expenditure as a result of the operation

(in ECU)

Budget heading (No and title)	Total	Method of calculation (total cost of the action for the period 1998-2000) (Cost of missions 1.200 ECU; cost of meetings 857 ECU)
A-701 -missions	14.669	2 missions x 2 programmes x 3 years
A-7030 - meetings	10.300	Participation of a Bulgarian representative in 2 annual meetings x 2 programmes x 3 years
A-7031 - compulsory meetings		Cost of the additional presence of Bulgarian representatives
Total	24.969	

The above expenditure will be met from the receipts (article 4§2, third indent of the financial regulation) received from the Bulgarian participation in Community Programmes (see § 5.3 of the financial statement).

Proposal for a
Council Decision
of ...

98/0454 (CNS)

concerning the Community position within the Association Council on the participation of Estonia in the Community programme in the field of health promotion, information, education and training

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 129, in conjunction with Article 228, paragraph 3, 1st alinea thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and Estonia, of the other part, has been concluded by Decision of the Council and the Commission of

Whereas according to Article 108 of the Europe Agreement, Estonia may participate in Community framework programmes, specific programmes, projects or other actions notably in the field of Health and the terms and conditions of Estonia in the activities referred to in the said Article shall be decided by the Association Council,

Whereas, Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the field of public health (1996 to 2000)¹ and in particular Article 6(2) thereof provides that this programme shall be open to the participation of associated Central European countries in accordance with the conditions set out in the Additional Protocols to the Association Agreements on participation in Community programmes.

HAS DECIDED AS FOLLOWS:

The position to be taken by the Community within the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and Estonia, of the other part, concerning the participation of Estonia in the Community programme in the field of Health promotion, Information, Education and Training is that set out in the attached draft decision of the Association Council.

Done at Brussels,

For the Council,

¹ OJ No L 95/1 of 16.04.1996

**Draft Decision n°..../98 of the EC-Estonia Association Council of.....1998
adopting the terms and conditions for the participation of Estonia in the
Community programme in the field of Health Promotion, Information, Education
and Training**

The ASSOCIATION COUNCIL

Having regard to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Estonia of the other part, and in particular Article 108 thereof,

Whereas according to Article 108 of the Europe Agreement, Estonia may participate in Community framework programmes, specific programmes, projects or other Community actions notably in the field of Health,

Whereas according to Article 108 of the said Europe Agreement the terms and conditions for the participation of Estonia in the activities referred to in Article 108 are to be decided by the Association Council,

HAS DECIDED AS FOLLOWS:

Article 1

Estonia shall participate in the European Community programme Health promotion, information, education and training according to the terms and conditions set out in Annexes I and II which shall form an integral part of this Decision.

Article 2

This Decision shall apply until 31 December 2000.

Article 3

This Decision shall enter into force on the first day of the month following its adoption.

For the Association Council

Done at

The Chairman

2

ANNEX I

Terms and conditions for the participation of Estonia in the Programme Health promotion, information, education and training

1. Estonia shall participate in all activities of the Health promotion programme (hereinafter called "the Programme") in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and timelimits laid down in Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof.
2. The terms and conditions for the submission, assessment and selection of applications related to eligible institutions, organisations and individuals of Estonia shall be the same as those applicable to eligible institutions, organisations and individuals of the Community.
3. To ensure the Community dimension of the Programme, transnational projects and activities proposed by Estonia will be required to include a minimum number of partners from the Member States of the Community. This minimum number will be decided in the framework of the implementation of the Programme, taking into account the nature of the various activities, the number of partners in a given project, and the number of countries participating in the Programme.
4. Estonia will pay each year a contribution to the general budget of the European Communities to cover the costs resulting from its participation in the Programme (see Annex II). The Association Committee is entitled to adapt this contribution whenever necessary.
5. The Member States of the Community and Estonia will make every effort, within the framework of the existing provisions, to facilitate the free movement and residence of all eligible persons to the programmes moving between Estonia and the Member States of the Community for the purpose of participating in activities covered by the Decision.
6. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Community in relation to the monitoring and evaluation of the programme pursuant to the Decision concerning Health promotion (Article 7), the participation of Estonia in the Programme will be continuously monitored on a partnership basis involving Estonia and the Commission of the European Communities. Estonia will submit the necessary reports to the Commission and take part in other specific activities set out by the Community in that context.
7. Without prejudice to the procedures referred to in Article 5 of the Decision on Health promotion, Estonia will be invited to any co-ordination meeting on any question concerning the implementation of this Decision prior to the regular meetings of the

Programme Committee. The Commission will inform Estonia about the results of such regular meetings.

8. The language to be used as regards the application process, contracts, reports to be submitted and other administrative arrangements for the Programme, will be one of the official languages of the Community.

ANNEX II

FINANCIAL CONTRIBUTION OF ESTONIA TO HEALTH PROMOTION

1. The financial contribution of Estonia will cover;
 - financial support from the Programme to Estonian participants,
 - supplementary costs of an administrative nature related to the management of the Programme by the Commission stemming from Estonia's participation.
2. For every financial year, the aggregated amount of subsidies or any other financial support received from the Programme by the Estonian beneficiaries will not exceed the contribution paid by Estonia, after deduction of the supplementary administrative costs.

Should the contribution paid by Estonia to the general budget of the European Communities, after deduction of the supplementary administrative costs, be higher than the aggregated amount of subsidies or other financial support received by the Estonian beneficiaries from the Programme, the Commission will transfer the balance to the next budgetary exercise, and it will be deducted from the following year's contribution. Should such a balance be left when the Programme comes to an end, the corresponding amount will be reimbursed to Estonia.

3. Estonia's annual contribution to the Health promotion programme will be of ECU 21.400 from 1998. From this sum, an amount of ECU 1.400 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Estonia's participation.
4. The financial regulations applicable to the general budget of the Community will apply, notably to the management of the contribution of Estonia.

Upon entry into force of this Decision and at the beginning of each following year, the Commission will send to Estonia a call for funds corresponding to its contribution to the costs under this Decision.

This contribution will be expressed in ECU and paid into an ECU bank account of the Commission.

Estonia will pay its contribution to the annual costs under this Decision according to the call for funds and at the latest three months after the call for funds is sent. Any delay in the payment of the contribution shall give rise to the payment of interest by Estonia on the outstanding amount from the due date. The interest rate corresponds to the rate applied by the European Monetary Co-operation Fund, for the month of the due date, for its operations in ECU, increased by 1,5 percentage points.

5. Estonia will pay the supplementary costs of an administrative nature referred to in paragraph 3 from its national budget.

6. Estonia will pay 50% of the remaining cost of its participation from its national budget.

Subject to regular Phare programming procedures, the remaining 50% will be paid from Estonia's annual Phare allocation.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Participation of Estonia in the programme on Health promotion

2. BUDGET HEADING INVOLVED

B7-503 - Opening of Community Programmes to the associated countries of Central Europe

3. LEGAL BASIS

Treaty establishing the European Community, and in particular Article 129, in conjunction with Article 228, paragraph 3, 1st alinea thereof.

Article 108 of the Europe Agreement with Estonia (Articles 228 and 238) of, providing for the opening-up of Community programmes (OJ No

Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000) and in particular Article 6(2) thereof.

4. DESCRIPTION OF OPERATION:

4.1 General objective

Estonia's participation in the Community programme concerned will come in addition to those Community programmes for which participation is foreseen, notably in the fields of education, training, youth, culture, SME and energy, and will further contribute to its preparation for accession as a key feature of a reinforced preaccession strategy. It will also enable Estonia to familiarise itself with the procedures and methods used in the Community programme in the field of health promotion, information, education and training.

The decision-making process for the opening-up of programmes involves a decision by the Association Council between the Union and the associated country. This decision also lays down the practical arrangements for opening up the programmes.

The Europe Agreement with Estonia entered into force on and provides for Estonia's participation in a wide range of areas, amongst which Health and Social policy.

Other Community programmes, notably in the fields of culture, energy, the environment, SMEs, research etc, have been or will shortly be opened up to the associated countries of Central Europe.

4.2 Period covered and arrangements for renewal

Until the end of the Community programmes concerned, i.e. 31.12.2000. The PHARE contribution, however, is dependent on decisions taken as regards the budget after 1999.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved:

Since Article 108 of the Europe Agreement stipulates that Estonia itself will meet the costs resulting from its participation, it will be invited to transfer its contribution to item 6091 of the EU's budget receipts. However, as Article 108 states that the Community may supplement Estonia's contribution (through its national Phare allocation), Estonia will contribute only part from its national budget, with the remainder being charged to heading B7-503. A transfer from the relevant PHARE appropriations (article B7-5000) to article B7-503 will be made upon receipt of Estonia's contribution.

6. TYPE OF EXPENDITURE OR REVENUE

- 100% subsidy
- subsidy for joint financing with other sources in the public and/or private sector
- no provision for all or part of the Community contribution to be reimbursed

As far as revenue is concerned, provision for Estonia's contribution to cover the cost of its participation is made under item 6091. The revenue will be allocated to the items for expenditure on the programme in question and, where appropriate, to the relevant items of operating expenditure.

The total revenue expected is given under item 7.4.

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation for 1998, 1999 and 2000 financial years (link between individual costs and total cost)

The calculation is based on the following preconditions:

- each partner country's contribution to the financing of the activities referred to in the Europe Agreement is calculated according to the principle that the country bears the cost of participation itself. Heading 6091 has been created in the statement of budget revenue for that purpose;
- the Community may decide on a case-by-case basis to pay a supplement to the partner country's contribution. The supplement may be in the form of a contribution under the national PHARE programme.

Based on the Europe Agreement with Estonia, the financial and budgetary arrangements for the programme concerned are as follows: the costs have been calculated on the basis of various parameters inherent in the programmes i.e. GDP per capita as weighted with PPP (purchasing power parities), population, and health expenditure.

The cost of Estonia's participation in Health promotion from 1998 will be ECU 21.400 per year.

The above-mentioned figure, from which the supplementary administrative costs -to be borne exclusively by Estonia- have to be deducted, are divided per year as follows. 50% of the operational costs will be covered from Estonia's national budget and - subject to the Phare procedures for programming item B7-503 - 50% from the annual PHARE budget for Estonia.

7.2 Itemised breakdown of cost

		in ECU					
Programme		1998	1999	2000	Total	of which Estonia	of which Phare
Health promotion		20.000	20.000	20.000	60.000	30.000	30.000

7.3 Operational expenditure on studies, expert meetings, etc., included in Part B: None

7.4 Schedule for multiannual operations

Amounts to be charged to item B7-503

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	10.000	10.000	10.000	0		30.000
Payment appropriations (*)						
1998	4.235	3.835	1.930			10.000
1999		4.730	3.910	1.360		10.000
2000			4.460	3.824	1.716	10.000
subsequent years						
Total	4.235	8.565	10.300	5.184	1.716	30.000

(*) Schedule based on the method of payment currently applying to the programme.

The foreseeable annual receipts are as follows:

Item 6091	1998	1999	2000	subsequent years	TOTAL
operational part	10.000	10.000	10.000	0	30.000
administrative part	1.400	1.400	1.400		4.200
Total	11.400	11.400	11.400		34.200

8. FRAUD PREVENTION MEASURES; RESULTS OF MEASURES TAKEN

All the Commission's contracts, agreements and other legal commitments provide for on-the-spot checks by the Commission and 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.

The anti-fraud provisions of the basic budget headings apply to this heading too when adapted to the case of the countries of Central and Eastern Europe.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1. Specific and quantified objectives; target population

The Health Promotion Programme covers a specific and targeted population and defines yearly priorities covering target objectives. Minorities, low income citizens and all those whose quality of life is below average are more at-risk and have lower health status. Particular attention will therefore be paid to this population.

9.2. Grounds for the operation

- *Need for Community financial aid*

In view of the high cost of participation in the programmes and Estonia's precarious budgetary situation, assistance from PHARE as provided for in Article 108 of the Europe Agreement is essential.

- *Choice of ways and means*

With a contribution from Estonia's national budget, supplemented by one from PHARE, Estonia's participation will contribute to getting acquainted with the internal policies and proceedings of the Community in the fields of Health policy. The integration of Estonian nationals in Community networks will make a definite contribution to preparing Estonia for future membership.

- *Main factors of uncertainty which could affect the specific results of the operation*

Since projects will be selected according to qualitative criteria, it will only be possible to measure the real impact on the basis of Estonian entities' and citizens' capacity to respond to the calls for proposal to be launched by the Commission under the programme.

9.3 Monitoring and evaluation of the operation

The monitoring and evaluation procedures included in the Health promotion programme (notably in respect of evaluation, as included in the decision establishing the programme) will also cover operations financed for Estonian beneficiaries.

10. ADMINISTRATIVE EXPENDITURE

The administrative resources required will actually be mobilised following the annual Commission Decision on the allocation of resources, taking account in particular of manpower and additional amounts granted by the budgetary authority. The supplementary needs can not, in any case, prejudice the decision that the Commission will need to take concerning:

- a) the request of new posts in the framework of the APB
- b) the resources allocation

10.1 Effect on the number of posts (in man/years)

Type of post	Staff required to manage the operation		Source		duration
	Permanent posts	Temporary posts	Existing resources of the DG or department concerned	Additional resources	1998-2000
Officials or temporary staff					
A			0.25		
B			0.1		
C					
Other resources (Technical assistance, A-7002)				0.004	
TOTAL			0.35	0.004	

(1) 0.25 per programme

(2) 0.1 per programme

10.2 Overall financial impact of the human resources

		(in ECU)
	Total	Method of calculation (total cost of the action for the period 1998-2000)
Officials*	113.400	0.35 man/year (ECU 108.000/year) x 3 years
Temporary staff		
Other resources (Technical assistance, item A-7002)	1.200	0.004 man/year (ECU 100.000/year) x 3 years
TOTAL	114.600	

* By using existing resources required to manage the operation (calculation based on titles A-1, A-2, A-4, A-5 and A-7).

The expenditure of item A-7002 (technical assistance) will be met from the receipts (art. 4§2, third indent of the Financial Regulation) received from the Estonian participation in Community programmes (see 5.3. of the Financial Statement).

10.3 Increase in other administrative expenditure as a result of the operation

(in ECU)

Budget heading (No and title)	Total	Method of calculation (total cost of the action for the period 1998-2000) (Cost of missions 1.000 ECU; cost of meetings 857 ECU)
A-701 -missions	1.000	1 mission
A-7030 - meetings	Rounded up 2.000	Participation of an Estonian representative in 2 meetings
A-7031 - compulsory meetings		Cost of the additional presence of Estonian representatives
Total	3.000	

The above expenditure will be met from the receipts (article 4§2, third indent of the financial regulation) received from the Estonian participation in Community Programmes (see § 5.3 of the financial statement).

**Proposal for a
Council Decision
of ...**

98/0155 (CNS)

concerning the Community position within the Association Council on the participation of Hungary in the Community programmes in the fields of Health and Social policy

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 129 and Article 235, in conjunction with Article 228, paragraph 3, 1st alinea thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the Additional Protocol to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and Hungary, of the other part, has been concluded by Decision of the Council and the Commission of 4 December 1995.

Whereas according to Article 1 of the Additional Protocol, Hungary may participate in Community framework programmes, specific programmes, projects or other actions notably in the fields of Health and Social policy and, pursuant to Article 2, the terms and conditions of Hungary's participation in the activities referred to in Article 1 shall be decided by the Association Council,

Whereas, Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000)¹ and in particular Article 6(2) thereof, Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000)² and in particular Article 6(2) thereof, Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000)³ and in particular Article 6(2) thereof, Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000)⁴ and in particular Article 6(2) thereof, and Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men

¹ OJ No L 95/1 of 16.04.1996

² OJ No L 95/9 of 16.04.1996

³ OJ No L 95/16 of 16.04.1996

⁴ OJ No L 19/25 of 22.01.1997

and women (1996-2000)⁵ and in particular Article 6(1) thereof, provide that these programmes shall be open to the participation of associated Central European countries in accordance with the conditions set out in the Additional Protocols to the Association Agreements on participation in Community programmes.

HAS DECIDED AS FOLLOWS:

The position to be taken by the Community within the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and Hungary, of the other part, concerning the participation of Hungary in Community Programmes in the fields of Health and Social policy is that set out in the attached draft decision of the Association Council.

Done at Brussels,

For the Council,

⁵ OJ No L 335/37 of 30.12.1995

**Draft Decision n°..../98 of the EC-Hungary Association Council of.....1998
adopting the terms and conditions for the participation of Hungary in Community
Programmes in the fields of Health and Social policy**

The ASSOCIATION COUNCIL

Having regard to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Hungary of the other part,¹

Having regard to the Additional Protocol to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Hungary, of the other part, concerning Hungary's participation in Community programmes², and in particular Article 1 and 2 thereof,

Whereas according to Article 1 of the said Additional Protocol, Hungary may participate in Community framework programmes, specific programmes, projects or other Community actions notably in the fields of Health and Social policy,

Whereas according to Article 2 of the said Additional Protocol the terms and conditions for the participation of Hungary in the activities referred to in Article 1 are to be decided by the Association Council,

HAS DECIDED AS FOLLOWS:

Article 1

Hungary shall participate in the European Community programmes Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women according to the terms and conditions set out in Annexes I and II which shall form an integral part of this Decision.

Article 2

This Decision shall apply until 31 December 2000.

Article 3

This Decision shall enter into force on the first day of the month following its adoption.

For the Association Council

Done at

The Chairman

¹ OJ N° L347 of 31.12.1993

² OJ N° L317 of 30.12.1995

ANNEX I

Terms and conditions for the participation of Hungary in the Programmes Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women.

1. Hungary shall participate in all activities of the Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women programmes (hereinafter called "the Programmes") in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and deadlines as defined in Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000) and in particular Article 6(2) thereof, Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof, Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof, Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof, and Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000) and in particular Article 6(1) thereof.
2. The terms and conditions for the submission, assessment and selection of applications related to eligible institutions, organisations and individuals of Hungary will be as far as possible in conformity with those prevailing in the Member States of the Community.
3. To ensure the Community dimension of the Programmes, transnational projects and activities proposed by Hungary will be required to include a minimum number of partners from the Member States of the Community. This minimum number will be decided in the framework of the implementation of the Programmes, taking into account the nature of the various activities, the number of partners in a given project, and the number of countries participating in the Programmes.
4. Hungary will pay each year a contribution to the general budget of the European Communities to cover the costs resulting from its participation in the Programmes (see Annex II). The Association Committee is entitled to adapt this contribution whenever necessary.
5. The Member States of the Community and Hungary will make every effort, within the framework of the existing provisions, to facilitate the free movement and residence of

all eligible persons to the programmes moving between Hungary and the Member States of the Community for the purpose of participating in activities covered by the Decision.

6. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Community in relation to the monitoring and evaluation of the programmes pursuant to the Decisions concerning Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women (Articles 7, 7, 7, 7 and 11 respectively), the participation of Hungary in the Programmes will be continuously monitored on a partnership basis involving Hungary and the Commission of the European Communities. Hungary will submit the necessary reports to the Commission and take part in other specific activities set out by the Community in that context.

7. Without prejudice to the procedures referred to in Article 5 of the Decision on Health promotion, Article 5 of the Decision on Combating cancer, Article 5 of the Decision on Prevention of AIDS and other communicable diseases, Article 5 of the Decision on Drug dependence and Article 9 of the Decision on Equal opportunities for men and women, Hungary will be invited to *any co-ordination meeting* on any question concerning the implementation of this Decision prior to the regular meetings of the Programme Committees. The Commission will inform Hungary about the results of such regular meetings.

8. The language to be used as regards the application process, contracts, reports to be submitted and other administrative arrangements for the Programmes, will be one of the official languages of the Community.

ANNEX II

FINANCIAL CONTRIBUTION OF HUNGARY TO HEALTH PROMOTION, COMBATING CANCER, PREVENTION OF AIDS AND OTHER COMMUNICABLE DISEASES, DRUG DEPENDENCE AND EQUAL OPPORTUNITIES FOR MEN AND WOMEN.

1. The financial contribution of Hungary will cover;
 - financial support from the Programmes to Hungarian participants,
 - supplementary costs of an administrative nature related to the management of the Programmes by the Commission stemming from Hungary's participation.
2. For every financial year, the aggregated amount of subsidies or any other financial support received from the Programmes by the Hungarian beneficiaries will not exceed the contribution paid by Hungary, after deduction of the supplementary administrative costs.

Should the contribution paid by Hungary to the general budget of the European Communities, after deduction of the supplementary administrative costs, be higher than the aggregated amount of subsidies or other the financial support received by the Hungarian beneficiaries from the Programmes, the Commission will transfer the balance to the next budgetary exercise, and it will be deducted from the following year's contribution. Should such a balance be left when the Programmes come to an end, the corresponding amount will be reimbursed to Hungary.

3. Health promotion

Hungary's annual contribution will be of ECU 96.621 from 1998. From this sum, an amount of ECU 6.321 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Hungary's participation.

4. Combating cancer

Hungary's annual contribution will be of ECU 167.476 from 1998. From this sum, an amount of ECU 10.956 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Hungary's participation.

5. Prevention of AIDS and other communicable diseases

Hungary's annual contribution will be of ECU 128.828 from 1998. From this sum, an amount of ECU 8.429 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Hungary's participation.

6. Drug dependence

Hungary's annual contribution will be of ECU 64.414 from 1998. From this sum, an amount of ECU 4.214 will cover supplementary administrative costs related to the

management of the Programme by the Commission stemming from Hungary's participation.

7. Equal opportunities for men and women

Hungary's annual contribution will be of ECU 109.170 from 1998. From this sum, an amount of ECU 7.142 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Hungary's participation.

8. The financial regulations applicable to the general budget of the Community will apply, notably to the management of the contribution of Hungary.

Upon entry into force of this Decision and at the beginning of each following year, the Commission will send to Hungary a call for funds corresponding to its contribution to the costs under this Decision.

This contribution will be expressed in ECU and paid into an ECU bank account of the Commission.

Hungary will pay its contribution to the annual costs under this Decision according to the call for funds and at the latest three months after the call for funds is sent. Any delay in the payment of the contribution shall give rise to the payment of interest by Hungary on the outstanding amount from the due date. The interest rate corresponds to the rate applied by the European Monetary Co-operation Fund, for the month of the due date, for its operations in ECU, increased by 1,5 percentage points.

9. Hungary will pay the supplementary costs of an administrative nature referred to in paragraph 3, 4, 5, 6 and 7 from its national budget.

10. Hungary will pay 50% of the remaining cost of its participation from its national budget.

Subject to regular Phare programming procedures, the remaining 50% will be paid from Hungary's annual Phare allocation.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Participation of Hungary in programmes on Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women

2. BUDGET HEADING INVOLVED

B7-503 - Opening of Community Programmes to the associated countries of Central Europe

3. LEGAL BASIS

Treaty establishing the European Community, and in particular Articles 129 and 235, in conjunction with Article 228, paragraph 3, 1st alinea thereof

Additional Protocol to the Europe Agreement with Hungary (Articles 228 and 238) of 4 December 1995, (entry into force: 1 February 1996) providing for the opening-up of Community programmes (OJ No 317/30 of 30.12.95)

Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000) and in particular Article 6(2) thereof,

Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof,

Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof,

Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof,

Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000) and in particular Article 6(1) thereof,

4. DESCRIPTION OF OPERATION:

4.1 General objective

Hungary's participation in the five Community programmes concerned will come in addition to those Community programmes in which it already participates, e.g. Leonardo da Vinci, Socrates and Youth for Europe, and will further contribute to its preparation for accession as a key feature of a reinforced preaccession strategy. It will also enable Hungary to familiarise itself with the procedures and methods used in Community programmes in the fields of Health and Social policy.

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The decision-making process for the opening-up of programmes involves a decision by the Association Council between the Union and the associated country. This decision also lays down the practical arrangements for opening up the programmes.

The Additional Protocol with Hungary entered into force on 1 February 1996 and provides for Hungary's participation in a wide range of areas, amongst which Health and Social policy.

Other Community programmes, notably in the fields of culture, energy, the environment, SMEs, research etc, have been or will shortly be opened up to the associated countries of Central Europe.

4.2 Period covered and arrangements for renewal

Until the end of the Community programmes concerned, i.e. 31.12.2000. The PHARE contribution, however, is dependent on decisions taken as regards the budget after 1999.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved:

Since the first paragraph of Article 3 of the Additional Protocol stipulates that Hungary itself will meet the costs resulting from its participation, it will be invited to transfer its contribution to item 6091 of the EU's budget receipts. However, as the second paragraph of Article 3 states that the Community may supplement Hungary's contribution (through its national Phare allocation), Hungary will contribute only part from its national budget, with the remainder being charged to heading B7-503. A transfer from the relevant Phare appropriations (article B7-500) to article B7-503 will be made upon receipt of Hungary's contribution.

6. TYPE OF EXPENDITURE OR REVENUE

- 100% subsidy
- subsidy for joint financing with other sources in the public and/or private sector
- no provision for all or part of the Community contribution to be reimbursed

As far as revenue is concerned, provision for Hungary's contribution to cover the cost of its participation is made under item 6091. The revenue will be allocated to the items for expenditure on the five programmes in question and, where appropriate, to the relevant items of operating expenditure.

The total revenue expected is given under item 7.4.

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation for 1998, 1999 and 2000 financial years (link between individual costs and total cost)

The calculation is based on the following preconditions:

- each partner country's contribution to the financing of the activities referred to in the Protocol is calculated according to the principle that the country bears the cost of participation itself. Heading 6091 has been created in the statement of budget revenue for that purpose;
- the Community may decide on a case-by-case basis to pay a supplement to the partner country's contribution. The supplement may be in the form of a contribution under the national PHARE programme.

Based on the Additional Protocol with Hungary, the financial and budgetary arrangements for the five programmes concerned are as follows: the costs have been calculated on the basis of various parameters inherent in the five programmes, i.e. GDP per capita as weighted with PPP (purchasing power parities), population, and, where appropriate, health expenditure.

The cost of Hungary's participation in Health promotion from 1998 will be ECU 96.621 per year.

For Combating cancer the annual contribution will be ECU 167.476 from 1998.

For prevention of AIDS and other communicable diseases the annual contribution will be ECU 128.828 from 1998.

For Drug dependence the annual contribution will be ECU 64.414 from 1998.

For Equal opportunities for men and women the annual contribution will be ECU 109.170 from 1998.

The above-mentioned figures, from which the supplementary administrative costs -to be borne exclusively by Hungary- have to be deducted, are divided per year and per programme as follows. 50% of the operational costs will be covered from Hungary's national budget and - subject to the procedures for programming the Phare programme - 50% from the annual Phare budget for Hungary.

7.2 Itemised breakdown of cost

Programme	in ECU						
		1998	1999	2000	Total	of which Hungary	of which Phare
Health promotion		90.300	90.300	90.300	270.900	135.450	135.450
Combating cancer		156.520	156.520	156.520	469.560	234.780	234.780
AIDS prevention		120.400	120.400	120.400	361.200	180.600	180.600
Drug dependence		60.200	60.200	60.200	180.600	90.300	90.300
Equal opportunities for men and women		102.028	102.028	102.028	306.084	153.042	153.042
Total		529.448	529.448	529.448	1.588.344	794.172	794.172

7.3 Operational expenditure on studies, expert meetings, etc., included in Part B: None

7.4 Schedule for multiannual operations

Amounts to be charged to item B7-503

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	264.724	264.724	264.724			794.172
Payment appropriations (*)						
1998	120.304	119.570	24.850			264.724
1999		120.304	106.470	37.950		264.724
2000			120.304	118.710	25.710	264.724
subsequent years						
Total	120.304	239.874	251.624	156.660	25.710	794.172

Equal opportunities:

	1998	1999	2000	2001	TOTAL
Commitment appropriations	51.014	51.014	51.014	0	153.042
Payment appropriations (*)					
1998	15.304	35.710			51.014
1999		15.304	35.710		51.014
2000			15.304	35.710	51.014
subsequent years					
Total	15.304	51.014	51.014	35.710	153.042

Health Promotion:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	45.150	45.150	45.150	0	0	135.450
Payment appropriations (*)						
1998	20.000	16.500	8.650			45.150
1999		20.000	14.500	10.650		45.150
2000			20.000	16.500	8.650	45.150
subsequent years						
Total	20.000	36.500	43.150	27.150	8.650	135.450

Combating Cancer:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	78.260	78.260	78.260	0	0	234.780
Payment appropriations (*)						
1998	40.000	31.260	7.000			78.260
1999		40.000	28.260	10.000		78.260
2000			40.000	31.000	7.260	78.260
subsequent years						

Total	40.000	71.260	75.260	41.000	7.260	234.780
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Prevention of AIDS and other communicable diseases

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	60.200	60.200	60.200	0	0	180.600
Payment appropriations (*)						
1998	30.000	24.100	6.100			60.200
1999		30.000	18.000	12.200		60.200
2000			30.000	24.000	6.200	60.200
subsequent years						
Total	30.000	74.100	54.100	36.200	6.200	180.600

Drug dependence:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	30.100	30.100	30.100	0	0	90.300
Payment appropriations (*)						
1998	15.000	12.000	3.100			30.100
1999		15.000	10.000	5.100		30.100
2000			15.000	11.500	3.600	30.100
subsequent years						
Total	15.000	27.000	28.100	16.600	3.600	90.300

(*) Schedule based on the method of payment currently applying to these programmes

The foreseeable annual receipts are as follows:

Item 6091	1998	1999	2000	subsequent years	TOTAL
operational part	264.724	264.724	264.724	0	794.172
administrative part	37.062	37.062	37.062		111.186
Total	301.786	301.786	301.786		905.358

8. FRAUD PREVENTION MEASURES; RESULTS OF MEASURES TAKEN

All the Commission's contracts, agreements and other legal commitments provide for on-the-spot checks by the Commission and 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.

The anti-fraud provisions of the basic budget headings apply to this heading too when adapted to the case of the countries of Central and Eastern Europe.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1. Specific and quantified objectives; target population

The objective of participation in the Fourth Action Programme on equal opportunities between men and women is the raising of awareness for equal opportunities rights and practices within the general public and the enforcement of equality directives. A particular target group is constituted by lawyers and representatives of governmental and non-governmental institutions who are in charge of monitoring the respect of equal opportunities laws and policies.

Concerning the Health Programmes, each programme covers a specific and targeted population and defines yearly priorities covering target objectives. Minorities, low income citizens and all those whose quality of life is below average are more at risk and have lower health status. Particular attention will therefore be paid to this population.

9.2. Grounds for the operation

- *Need for Community financial aid*

In view of the high cost of participation in the programmes and Hungary's precarious budgetary situation, assistance from PHARE as provided for in Article 3(2) of the Additional Protocol is essential.

- *Choice of ways and means*

With a contribution from Hungary's national budget, supplemented by one from PHARE, Hungary's participation will contribute to getting acquainted with the internal policies and proceedings of the Community in the fields of Health and Social policy. The integration of Hungarian nationals in Community networks will make a definite contribution to preparing Hungary for future membership.

- *Main factors of uncertainty which could affect the specific results of the operation*

Since projects will be selected according to qualitative criteria, it will only be possible to measure the real impact on the basis of Hungarian entities' and citizens' capacity to respond to the calls for proposal to be launched by the Commission under the five programmes.

9.3 Monitoring and evaluation of the operation

The monitoring and evaluation procedures included in the Health promotion, Combating cancer, AIDS prevention, Drug dependence and Equal opportunities for men and women programmes (notably in respect of evaluation, as included in the decisions establishing the five programmes) will also cover operations financed for Hungarian beneficiaries.

10. ADMINISTRATIVE EXPENDITURE

The administrative resources required will actually be mobilised following the annual Commission Decision on the allocation of resources, taking account in particular of manpower and additional amounts granted by the budgetary authority. The supplementary needs can not, in any case, prejudice the decision that the Commission will need to take concerning:

- a) the request of new posts in the framework of the APB
- b) the resources allocation

10.1 Effect on the number of posts (in man/years)

Type of post	Staff required to manage the operation		Source		duration
	Permanent posts	Temporary posts	Existing resources of the DG or department concerned	Additional resources	1998-2000
Officials or temporary staff A B C			1.25 (1) 0.5 (2)		
Other resources (Technical assistance, A-7002)				0.121	
TOTAL			1.75	0.121	

(1) 0.25 per programme

(2) 0.1 per programme

10.2 Overall financial impact of the human resources

(in ECU)

	Total	Method of calculation (total cost of the action for the period 1998-2000)
Officials*	567.000	1.75 man/year (ECU 108.000/year) x 3 years
Temporary staff		
Other resources (Technical assistance, item A-7002)	36.186	0.121 man/year (ECU 100.000 year x 3 years)
TOTAL	603.186	

By using existing resources required to manage the operation (calculation based on titles A-1, A-2, A-4, A-5 and A-7).

The expenditure of item A-7002 (technical assistance) will be met from the receipts (art. 482, third indent of the Financial Regulation) received from the Hungarian participation in Community programmes (see 5.3. of the Financial Statement).

10.3 Increase in other administrative expenditure as a result of the operation

(in ECU)

Budget heading (No and title)	Total	Method of calculation (total cost of the action for the period 1998-2000) (Cost of missions 1.000 ECU; cost of meetings 857 ECU)
A-701 -missions	30.000	2 missions x 5 programmes x 3 years Participation of a Hungarian representative in 3 annual meetings x 5 programmes x 3 years Cost of the additional presence of Hungarian representatives
A-7030 - meetings	Rounded up 45.000	
A-7031 - compulsory meetings		
Total	75.000	

The above expenditure will be met from the receipts (article 4§2, third indent of the financial regulation) received from the Hungarian participation in Community Programmes (see § 5.3 of the financial statement).

**Proposal for a
Council Decision
of ...**

98/0156 (CNS)

concerning the Community position within the Association Council on the participation of Lithuania in the Community programmes in the fields of Health and Social policy

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 129 and Article 235, in conjunction with Article 228, paragraph 3, 1st alinea thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and Lithuania, of the other part, has been concluded by Decision of the Council and the Commission of

Whereas according to Article 110 of the Europe Agreement, Lithuania may participate in Community framework programmes, specific programmes, projects or other actions notably in the fields of Health and Social policy and the terms and conditions of Lithuania in the activities referred to in the said Article shall be decided by the Association Council,

Whereas, Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000)¹ and in particular Article 6(2) thereof, Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000)² and in particular Article 6(2) thereof, and Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000)³ and in particular Article 6(1) thereof, provide that these programmes shall be open to the participation of associated Central European countries in accordance with the conditions set out in Article 110 of the Europe Agreement on participation in Community programmes.

¹ OJ No L 95/16 of 16.04.1996

² OJ No L 19/25 of 22.01.1997

³ OJ No L 335/37 of 30.12.1995

HAS DECIDED AS FOLLOWS:

The position to be taken by the Community within the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and Lithuania, of the other part, concerning the participation of Lithuania in Community Programmes in the fields of Health and Social policy is that set out in the attached draft decision of the Association Council.

Done at Brussels,

For the Council,

**Draft Decision n°..../98 of the EC-Lithuania Association Council of.....1998
adopting the terms and conditions for the participation of Lithuania in Community
Programmes in the fields of Health and Social policy**

The ASSOCIATION COUNCIL

Having regard to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Lithuania of the other part, and in particular Article 110 thereof,

Whereas according to Article 110 of the said Europe Agreement, Lithuania may participate in Community framework programmes, specific programmes, projects or other Community actions notably in the fields of Health and Social policy,

Whereas according to Article 110 of the said Europe Agreement the terms and conditions for the participation of Lithuania in the activities referred to in Article 110 are to be decided by the Association Council,

HAS DECIDED AS FOLLOWS:

Article 1

Lithuania shall participate in the European Community programmes Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women according to the terms and conditions set out in Annexes I and II which shall form an integral part of this Decision.

Article 2

This Decision shall apply until 31 December 2000.

Article 3

This Decision shall enter into force on the first day of the month following its adoption.

For the Association Council

Done at

The Chairman

ANNEX I

Terms and conditions for the participation of Lithuania in the Programmes Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women.

1. Lithuania shall participate in all activities of the Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women programmes (hereinafter called "the Programmes") in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and time limits laid down in Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof, Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof, and Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000) and in particular Article 6(1) thereof.
2. The terms and conditions for the submission, assessment and selection of applications related to eligible institutions, organisations and individuals of Lithuania will be as far as possible in conformity with those prevailing in the Member States of the Community.
3. To ensure the Community dimension of the Programmes, transnational projects and activities proposed by Lithuania will be required to include a minimum number of partners from the Member States of the Community. This minimum number will be decided in the framework of the implementation of the Programmes, taking into account the nature of the various activities, the number of partners in a given project, and the number of countries participating in the Programmes.
4. Lithuania will pay each year a contribution to the general budget of the European Communities to cover the costs resulting from its participation in the Programmes (see Annex II). The Association Committee is entitled to adapt this contribution whenever necessary.
5. The Member States of the Community and Lithuania will make every effort, within the framework of the existing provisions, to facilitate the free movement and residence of all eligible persons to the programmes moving between Lithuania and the Member States of the Community for the purpose of participating in activities covered by the Decision.
6. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Community in relation to the monitoring and evaluation of the programmes pursuant to the Decisions concerning Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women (Articles 7, 7 and 11 respectively), the participation of Lithuania in the Programmes will

be continuously monitored on a partnership basis involving Lithuania and the Commission of the European Communities. Lithuania will submit the necessary reports to the Commission and take part in other specific activities set out by the Community in that context.

7. Without prejudice to the procedures referred to in Article 5 of the Decision on Prevention of AIDS and other communicable diseases, Article 5 of the Decision on Drug dependence and Article 9 of the Decision on Equal opportunities for men and women, Lithuania will be invited to any co-ordination meeting on any question concerning the implementation of this Decision prior to the regular meetings of the Programme Committees. The Commission will inform Lithuania about the results of such regular meetings.

8. The language to be used as regards the application process, contracts, reports to be submitted and other administrative arrangements for the Programmes, will be one of the official languages of the Community.

ANNEX II

FINANCIAL CONTRIBUTION OF LITHUANIA TO PREVENTION OF AIDS AND OTHER COMMUNICABLE DISEASES, DRUG DEPENDENCE AND EQUAL OPPORTUNITIES FOR MEN AND WOMEN.

1. The financial contribution of Lithuania will cover;
 - financial support from the Programmes to Lithuanian participants,
 - supplementary costs of an administrative nature related to the management of the Programmes by the Commission stemming from Lithuania's participation.
2. For every financial year, the aggregated amount of subsidies or any other financial support received from the Programmes by the Lithuanian beneficiaries will not exceed the contribution paid by Lithuania, after deduction of the supplementary administrative costs.

Should the contribution paid by Lithuania to the general budget of the European Communities, after deduction of the supplementary administrative costs, be higher than the aggregated amount of subsidies or other financial support received by the Lithuanian beneficiaries from the Programmes, the Commission will transfer the balance to the next budgetary exercise, and it will be deducted from the following year's contribution. Should such a balance be left when the Programmes come to an end, the corresponding amount will be reimbursed to Lithuania.

3. Prevention of AIDS and other communicable diseases

Lithuania's annual contribution will be of ECU 21.400 from 1998. From this sum, an amount of ECU 1.400 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Lithuania's participation.

4. Drug dependence

Lithuania's annual contribution will be of ECU 21.400 from 1998. From this sum, an amount of ECU 1.400 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Lithuania's participation.

5. Equal opportunities for men and women

Lithuania's annual contribution will be of ECU 25.686 from 1998. From this sum, an amount of ECU 1.680 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Lithuania's participation.

6. The financial regulations applicable to the general budget of the Community will apply, notably to the management of the contribution of Lithuania.

Upon entry into force of this Decision and at the beginning of each following year, the Commission will send to Lithuania a call for funds corresponding to its contribution to the costs under this Decision.

This contribution will be expressed in ECU and paid into an ECU bank account of the Commission.

Lithuania will pay its contribution to the annual costs under this Decision according to the call for funds and at the latest three months after the call for funds is sent. Any delay in the payment of the contribution shall give rise to the payment of interest by Lithuania on the outstanding amount from the due date. The interest rate corresponds to the rate applied by the European Monetary Co-operation Fund, for the month of the due date, for its operations in ECU, increased by 1,5 percentage points.

7. Lithuania will pay the supplementary costs of an administrative nature referred to in paragraphs 3, 4 and 5 from its national budget.
8. Lithuania will pay 10% (1998), 30% (1999) and 50% (2000) of the remaining cost of its participation from its national budget.

Subject to regular Phare programming procedures, the remaining 90% (1998), 70% (1999) and 50% (2000) will be paid from Lithuania's annual Phare allocation.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Participation of Lithuania in the programmes on Prevention of AIDS and certain other communicable diseases, Drug dependence and Equal opportunities for men and women

2. BUDGET HEADING INVOLVED

B7-503 - Opening of Community Programmes to the associated countries of Central Europe

3. LEGAL BASIS

Treaty establishing the European Community, and in particular Articles 129 and 235, in conjunction with Article 228, paragraph 3, 1st alinea thereof.

Article 110 of the Europe Agreement with Lithuania (Articles 228 and 238) of, providing for the opening-up of Community programmes (OJ No.....),

Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof,

Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof,

Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000) and in particular Article 6(1) thereof,

4. DESCRIPTION OF OPERATION:

4.1 General objective

Lithuania's participation in the three Community programmes concerned will come in addition to other Community programmes for which participation is foreseen, notably in the fields of education, training, youth, culture, SME and energy, and will further contribute to its preparation for accession as a key feature of a reinforced preaccession strategy. It will also enable Lithuania to familiarise itself with the procedures and methods used in Community programmes in the fields of Health and Social policy.

The decision-making process for the opening-up of programmes involves a decision by the Association Council between the Union and the associated country. This decision also lays down the practical arrangements for opening up the programmes.

The Europe Agreement with Lithuania entered into force on and provides for Lithuania's participation in a wide range of areas, amongst which Health and Social policy.

Other Community programmes, notably in the fields of culture, energy, the environment, SMEs, research etc, have been or will shortly be opened up to the associated countries of Central Europe.

4.2 Period covered and arrangements for renewal

Until the end of the Community programmes concerned, i.e. 31.12.2000. The PHARE contribution, however, is dependent on decisions taken as regards the budget after 1999.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved:

Since Article 110 of the Europe Agreement stipulates that Lithuania itself will meet the costs resulting from its participation, it will be invited to transfer its contribution to item 6091 of the EU's budget receipts. However, as Article 110 states that the Community may supplement Lithuania's contribution (through its national Phare allocation), Lithuania will contribute only part from its national budget, with the remainder being charged to heading B7-503. A transfer from the relevant PHARE appropriations (art. B7-500) to article B7-503 will be made upon receipt of the Lithuanian contribution.

6. TYPE OF EXPENDITURE OR REVENUE

- 100% subsidy
- subsidy for joint financing with other sources in the public and/or private sector
- no provision for all or part of the Community contribution to be reimbursed

As far as revenue is concerned, provision for Lithuania's contribution to cover the cost of its participation is made under item 6091. The revenue will be allocated to the items for expenditure on the three programmes in question and, where appropriate, to the relevant items of operating expenditure.

The total revenue expected is given under item 7.4.

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation for 1998, 1999 and 2000 financial years (link between individual costs and total cost)

The calculation is based on the following preconditions:

- each partner country's contribution to the financing of the activities referred to in the Protocol is calculated according to the principle that the country bears the cost of participation itself. Heading 6091 has been created in the statement of budget revenue for that purpose;
- the Community may decide on a case-by-case basis to pay a supplement to the partner country's contribution. The supplement may be in the form of a contribution under the national PHARE programme.

Based on the Europe Agreement with Lithuania, the financial and budgetary arrangements for the three programmes concerned are as follows: the costs have been calculated on the basis of various parameters inherent in the three programmes, i.e. GDP per capita as weighted with PPP (purchasing power parities), population, and, where appropriate, health expenditure.

The cost of Lithuania's participation in Prevention of AIDS and other communicable diseases the annual contribution will be ECU 21.400 from 1998.

For Drug dependence the annual contribution will be ECU 21.400 from 1998.

For Equal opportunities for men and women the annual contribution will be ECU 25.686 from 1998.

The above-mentioned figures, from which the supplementary administrative costs -to be borne exclusively by Lithuania- have to be deducted, are divided per year and per programme as follows. 10% (1998), 30% (1999) and 50% (2000) of the operational costs will be covered from Lithuania's national budget and - subject to the Phare procedures for programming item B7-503 - 90% (1998), 70% (1999) and 50% (2000) from the annual PHARE budget for Lithuania.

7.2 Itemised breakdown of cost

in ECU							
Programme		1998	1999	2000	Total	of which Lithuania	of which Phare
Prevention of AIDS and certain other communicable diseases		20.000	20.000	20.000	60.000	18.000	42.000
Drug dependence		20.000	20.000	20.000	60.000	18.000	42.000
Equal opportunities for men and women		24.006	24.006	24.006	72.018	21.605,4	50.412,6
Total		64.006	64.006	64.006	192.018	57.605	134.413

7.3 Operational expenditure on studies, expert meetings, etc., included in Part B: None

7.4 Schedule for multiannual operations

Amounts to be charged to item B7-503

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	57.606	44.804	32.003			134.413
Payment appropriations (*)						
1998	21.728	28.930	6.948			57.606
1999		18.285	22.711	3.808		44.804
2000			12.521	16.050	3.432	32.003
subsequent years						
Total	21.728	47.215	42.180	19.858	3.432	134.413

Equal opportunities:

	1998	1999	2000	2001	TOTAL
Commitment appropriations	21.606	16.804	12.003		50.413
Payment appropriations (*)					
1998	6.482	15.124			21.606
1999		5.041	11.763		16.804
2000			3.601	8.402	12.003
subsequent years					
Total	6.482	20.165	15.364	8.402	50.412

AIDS and other communicable diseases

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	18.000	14.000	10.000	0	0	42.000
Payment appropriations (*)						
1998	7.623	6.903	3.474			18.000
1999		6.622	5.474	1.904		14.000
2000			4.460	3.824	1.716	10.000
subsequent years						
Total	7.623	13.525	13.408	5.728	1.716	42.000

Drug dependence:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	18.000	14.000	10.000	0	0	42.000
Payment appropriations (*)						
1998	7.623	6.903	3.474			18.000
1999		6.622	5.474	1.904		14.000
2000			4.460	3.824	1.716	10.000
subsequent years						
Total	7.623	13.525	13.408	5.728	1.716	42.000

(*) Schedule based on the method of payment currently applying to these programmes.

The foreseeable annual receipts are as follows:

Item 6091	1998	1999	2000	subsequent years	TOTAL
operational part	6.400	19.202	32.003		57.605
administrative part	4.480	4.480	4.480		13.440
Total	10.880	23.682	36.483		71.045

8. FRAUD PREVENTION MEASURES; RESULTS OF MEASURES TAKEN

All the Commission's contracts, agreements and other legal commitments provide for on-the-spot checks by the Commission and 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.

The anti-fraud provisions of the basic budget headings apply to this heading too when adapted to the case of the countries of Central and Eastern Europe.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1. Specific and quantified objectives; target population

The objective of participation in the Fourth Action Programme on equal opportunities between men and women is the raising of awareness for equal opportunities rights and practices within the general public and the enforcement of equality directives. A particular target group is constituted by lawyers and representatives of governmental and non-governmental institutions who are in charge of monitoring the respect of equal opportunities laws and policies.

Concerning the Health Programmes, each programme covers a specific and targeted population and defines yearly priorities covering target objectives. Minorities, low income citizens and all those whose quality of life is below average are more at risk and have lower health status. Particullar attention will therefore be paid to this population.

9.2. Grounds for the operation

- *Need for Community financial aid*

In view of the high cost of participation in the programmes and Lithuania's precarious budgetary situation, assistance from PHARE as provided for in Article 3(2) of the Additional Protocol is essential.

- *Choice of ways and means*

With a contribution from Lithuania's national budget, supplemented by one from PHARE, Lithuania's participation will contribute to getting acquainted with the internal policies and proceedings of the Community in the fields of Health and Social policy. The integration of Lithuanian nationals in Community networks will make a definite contribution to preparing Lithuania for future membership.

- *Main factors of uncertainty which could affect the specific results of the operation*

Since projects will be selected according to qualitative criteria, it will only be possible to measure the real impact on the basis of Lithuanian entities' and citizens' capacity to respond to the calls for proposal to be launched by the Commission under the five programmes.

9.3 Monitoring and evaluation of the operation

The monitoring and evaluation procedures included in the Prevention of AIDS and certain other communicable diseases, Drug dependence and Equal opportunities for men and women programmes (notably in respect of evaluation, as included in the decisions establishing the three programmes) will also cover operations financed for Lithuanian beneficiaries.

10. ADMINISTRATIVE EXPENDITURE

The administrative resources required will actually be mobilised following the annual Commission Decision on the allocation of resources, taking account in particular of manpower and additional amounts granted by the budgetary authority. The supplementary needs can not, in any case, prejudice the decision that the Commission will need to take concerning:

- a) the request of new posts in the framework of the APB
- b) the resources allocation

10.1 Effect on the number of posts (in man/years)

Type of post	Staff required to manage the operation		Source		duration
	Permanent posts	Temporary posts	Existing resources of the DG or department concerned	Additional resources	1998-2000
Officials or temporary staff					
A			0.75 (1)		
B			0.3 (2)		
C					
Other resources (Technical assistance, A-7002)				0.0048	
TOTAL			1.05	0.0048	

(1) 0.25 per programme

(2) 0.1 per programme

10.2 Overall financial impact of the human resources

		(in ECU)
	Total	Method of calculation (total cost of the action for the period 1998-2000)
Officials*	340.200	1.05 man/year (ECU 108.000/year) x 3 years
Temporary staff		
Other resources (Technical assistance, item A-7002)	1.440	0.0048 man/year (ECU 100.000/year x 3 years)
TOTAL	341.640	

*By using existing resources required to manage the operation (calculation based on titles A-1, A-2, A-4, A-5 and A-7).

The expenditure of item A-7002 (technical assistance) will be met from the receipts (art. 4§2, third indent of the Financial Regulation) received from the Lithuanian participation in Community programmes (see 5.3. of the Financial Statement).

10.3 Increase in other administrative expenditure as a result of the operation

(in ECU)

Budget heading (No and title)	Total	Method of calculation (total cost of the action for the period 1998-2000) (Cost of missions 1.200 ECU; cost of meetings 857 ECU)
A-701 -missions	4.200	1 mission x 3 programmes Participation of a Lithuanian representative in 1 meeting x 3 programmes x 3 years Cost of the additional presence of Lithuanian representatives
A-7030 - meetings	Rounded up 7.800	
A-7031 - compulsory meetings		
Total	12.000	

The above expenditure will be met from the receipts (article 4§2, third indent of the financial regulation) received from the Lithuanian participation in Community Programmes (see § 5.3 of the financial statement).

**Proposal for a
Council Decision
of ...**

9810157 (CNS)

concerning the Community position within the Association Council on the participation of Romania in the Community programmes in the fields of Health and Social policy

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 129 and Article 235, in conjunction with Article 228, paragraph 3, 1st alinea thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the Additional Protocol to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and Romania, of the other part, has been concluded by Decision of the Council and the Commission of 4 December 1995.

Whereas according to Article 1 of the Additional Protocol, Romania may participate in Community framework programmes, specific programmes, projects or other actions notably in the fields of Health and Social policy and, pursuant to Article 2, the terms and conditions of Romania's participation in the activities referred to in Article 1 shall be decided by the Association Council,

Whereas, Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000)¹ and in particular Article 6(2) thereof, Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000)² and in particular Article 6(2) thereof, Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000)³ and in particular Article 6(2) thereof, Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000)⁴ and in particular Article 6(2) thereof, and Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men

¹ OJ No L 95/1 of 16.04.1996

² OJ No L 95/9 of 16.04.1996

³ OJ No L 95/16 of 16.04.1996

⁴ OJ No L 19/25 of 22.01.1997

and women (1996-2000)⁵ and in particular Article 6(1) thereof, provide that these programmes shall be open to the participation of associated Central European countries in accordance with the conditions set out in the Additional Protocols to the Association Agreements on participation in Community programmes.

HAS DECIDED AS FOLLOWS:

The position to be taken by the Community within the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and Romania, of the other part, concerning the participation of Romania in Community Programmes in the fields of Health and Social policy is that set out in the attached draft decision of the Association Council.

Done at Brussels,

For the Council,

⁵ OJ No L 335/37 of 30.12.1995.

**Draft Decision n°..../98 of the EC-Romania Association Council of.....1998
adopting the terms and conditions for the participation of Romania in Community
Programmes in the fields of Health and Social policy**

The ASSOCIATION COUNCIL

Having regard to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Romania of the other part,¹

Having regard to the Additional Protocol to the Europe Agreement establishing an association between the European Communities and their Member States, of the one part, and the Republic of Romania, of the other part, concerning Romania's participation in Community programmes², and in particular Articles 1 and 2 thereof,

Whereas according to Article 1 of the said Additional Protocol, Romania may participate in Community framework programmes, specific programmes, projects or other Community actions notably in the fields of Health and Social policy,

Whereas according to Article 2 of the said Additional Protocol the terms and conditions for the participation of Romania in the activities referred to in Article 1 are to be decided by the Association Council,

HAS DECIDED AS FOLLOWS:

Article 1

Romania shall participate in the European Community programmes Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women according to the terms and conditions set out in Annexes I and II which shall form an integral part of this Decision.

Article 2

This Decision shall apply until 31 December 2000.

Article 3

This Decision shall enter into force on the first day of the month following its adoption.

For the Association Council

Done at

The Chairman

¹ OJ N° L357 of 31.12.1994

² OJ N° L317/39 of 30.12.1995

ANNEX I

Terms and conditions for the participation of Romania in the Programmes Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women.

1. Romania shall participate in all activities of the Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women programmes (hereinafter called "the Programmes") in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and timelimits laid down in Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000) and in particular Article 6(2) thereof, Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof, Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof, Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof, and Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000) and in particular Article 6(1) thereof.
2. The terms and conditions for the submission, assessment and selection of applications related to eligible institutions, organisations and individuals of Romania will be as far as possible in conformity with those prevailing in the Member States of the Community.
3. To ensure the Community dimension of the Programmes, transnational projects and activities proposed by Romania will be required to include a minimum number of partners from the Member States of the Community. This minimum number will be decided in the framework of the implementation of the Programmes, taking into account the nature of the various activities, the number of partners in a given project, and the number of countries participating in the Programmes.
4. Romania will pay each year a contribution to the general budget of the European Communities to cover the costs resulting from its participation in the Programmes (see Annex II). The Association Committee is entitled to adapt this contribution whenever necessary.
5. The Member States of the Community and Romania will make every effort, within the framework of the existing provisions, to facilitate the free movement and residence of

all eligible persons to the programmes moving between Romania and the Member States of the Community for the purpose of participating in activities covered by the Decision.

6. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Community in relation to the monitoring and evaluation of the programmes pursuant to the Decisions concerning Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women (Articles 7, 7, 7, 7 and 11 respectively), the participation of Romania in the Programmes will be continuously monitored on a partnership basis involving Romania and the Commission of the European Communities. Romania will submit the necessary reports to the Commission and take part in other specific activities set out by the Community in that context.

7. Without prejudice to the procedures referred to in Article 5 of the Decision on Health promotion, Article 5 of the Decision on Combating cancer, Article 5 of the Decision on Prevention of AIDS and other communicable diseases, Article 5 of the Decision on Drug dependence and Article 9 of the Decision on Equal opportunities for men and women, Romania will be invited to any co-ordination meeting on any question concerning the implementation of this Decision prior to the regular meetings of the Programme Committees. The Commission will inform Romania about the results of such regular meetings.

8. The language to be used as regards the application process, contracts, reports to be submitted and other administrative arrangements for the Programmes, will be one of the official languages of the Community.

ANNEX II

FINANCIAL CONTRIBUTION OF ROMANIA TO HEALTH PROMOTION, COMBATING CANCER, PREVENTION OF AIDS AND OTHER COMMUNICABLE DISEASES, DRUG DEPENDENCE AND EQUAL OPPORTUNITIES FOR MEN AND WOMEN.

1. The financial contribution of Romania will cover;
 - financial support from the Programmes to Romanian participants,
 - supplementary costs of an administrative nature related to the management of the Programmes by the Commission stemming from Romania's participation.
2. For every financial year, the aggregated amount of subsidies or any other financial support received from the Programmes by the Romanian beneficiaries will not exceed the contribution paid by Romania, after deduction of the supplementary administrative costs.

Should the contribution paid by Romania to the general budget of the European Communities, after deduction of the supplementary administrative costs, be higher than the aggregated amount of subsidies or other financial support received by the Romanian beneficiaries from the Programmes, the Commission will transfer the balance to the next budgetary exercise, and it will be deducted from the following year's contribution. Should such a balance be left when the Programmes come to an end, the corresponding amount will be reimbursed to Romania.

3. Health promotion

Romania's annual contribution will be of ECU 65.645 from 1998. From this sum, an amount of ECU 4.295 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Romania's participation.

4. Combating cancer

Romania's annual contribution will be of ECU 113.783 from 1998. From this sum, an amount of ECU 7.444 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Romania's participation.

5. Prevention of AIDS and other communicable diseases

Romania's annual contribution will be of ECU 87.526 from 1998. From this sum, an amount of ECU 5.726 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Romania's participation.

6. Drug dependence

Romania's annual contribution will be of ECU 43.763 from 1998. From this sum, an amount of ECU 2.863 will cover supplementary administrative costs related to the

management of the Programme by the Commission stemming from Romania's participation.

7. Equal opportunities for men and women

Romania's annual contribution will be of ECU 157.454 from 1998. From this sum, an amount of ECU 10.301 will cover supplementary administrative costs related to the management of the Programme by the Commission stemming from Romania's participation.

8. The financial regulations applicable to the general budget of the Community will apply, notably to the management of the contribution of Romania.

Upon entry into force of this Decision and at the beginning of each following year, the Commission will send to Romania a call for funds corresponding to its contribution to the costs under this Decision.

This contribution will be expressed in ECU and paid into an ECU bank account of the Commission.

Romania will pay its contribution to the annual costs under this Decision according to the call for funds and at the latest three months after the call for funds is sent. Any delay in the payment of the contribution shall give rise to the payment of interest by Romania on the outstanding amount from the due date. The interest rate corresponds to the rate applied by the European Monetary Co-operation Fund, for the month of the due date, for its operations in ECU, increased by 1,5 percentage points.

9. Romania will pay the supplementary costs of an administrative nature referred to in paragraphs 3, 4, 5, 6 and 7 from its national budget.

10. Romania will pay the remaining cost of its participation as follows:

10.1. Health Promotion

In 1998, 23.540 from its national budget and 37.810 from its Phare allocation.

In 1999, 30.675 from its national budget and 30.675 from its Phare allocation.

In 2000, 37.810 from its national budget and 23.540 from its Phare allocation.

10.2. Combating Cancer

In 1998, 42.535 from its national budget and 63.804 from its Phare allocation.

In 1999, 53.170 from its national budget and 53.169 from its Phare allocation.

In 2000, 63.804 from its national budget and 42.535 from its Phare allocation.

10.3. Prevention of AIDS and other communicable diseases

In 1998, 32.720 from its national budget and 49.080 from its Phare allocation.

In 1999, 40.900 from its national budget and 40.900 from its Phare allocation.

In 2000, 49.080 from its national budget and 32.720 from its Phare allocation.

10.4. Drug dependence

In 1998, 16.360 from its national budget and 24.540 from its Phare allocation.

In 1999, 20.450 from its national budget and 20.450 from its Phare allocation.

In 2000, 24.540 from its national budget and 16.360 from its Phare allocation.

10.5. Equal opportunities

In 1998, 58.861 from its national budget and 88.292 from its Phare allocation.

In 1999, 73.576 from its national budget and 73.577 from its Phare allocation.

In 2000, 88.292 from its national budget and 58.861 from its Phare allocation.

10.6. The Phare contribution is subject to regular Phare programming procedures.

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Participation of Romania in the programmes on Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women

2. BUDGET HEADING INVOLVED

B7-503 - Opening of Community Programmes to the associated countries of Central Europe

3. LEGAL BASIS

Treaty establishing the European Community, and in particular Articles 129 and 235, in conjunction with Article 228, paragraph 3, 1st alinea thereof,

Additional Protocol to the Europe Agreement with Romania (Articles 228 and 238) of 4 December 1995 (entry into force: 1 August 1996), providing for the opening-up of Community programmes (OJ No 317/39 of 30.12.1995)

Decision No 645/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on health promotion, information, education and training within the framework for action in the public health (1996 to 2000) and in particular Article 6(2) thereof.

Decision No 646/96/EC of the European Parliament and of the Council of 29 March 1996 adopting an action plan to combat cancer within the framework for action in the field of public health (1996 to 2000) and in particular Article 6(2) thereof.

Decision No 647/96/EC of the European Parliament and of the Council of 29 March 1996 adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof.

Decision No 102/97/EC of the European Parliament and of the Council of 16 December 1996 adopting a programme of Community action on the prevention of drug dependence within the framework for action in the field of public health (1996-2000) and in particular Article 6(2) thereof.

Council Decision (95/593/EC) of 22 December 1995 on a medium-term Community action programme on equal opportunities for men and women (1996-2000) and in particular Article 6(1) thereof.

4. DESCRIPTION OF OPERATION:

4.1 General objective

Romania's participation in the five Community programmes concerned will come in addition to those Community programmes in which it already participates, e.g. Leonardo da Vinci, Socrates and Youth for Europe, and will further contribute to its preparation for accession as a key feature of a reinforced preaccession strategy. It will also enable Romania to familiarise itself with the procedures and methods used in Community programmes in the fields of Health and Social policy.

The decision-making process for the opening-up of programmes involves a decision by the Association Council between the Union and the associated country. This decision also lays down the practical arrangements for opening up the programmes.

The Additional Protocol with Romania entered into force on 1 August 1996 and provides for Romania's participation in a wide range of areas, amongst which Health and Social policy.

Other Community programmes, notably in the fields of culture, energy, the environment, SMEs, research etc, have been or will shortly be opened up to the associated countries of Central Europe.

4.2 Period covered and arrangements for renewal

Until the end of the Community programmes concerned, i.e. 31.12.2000. The PHARE contribution, however, is dependent on decisions taken as regards the budget after 1999.

5. CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

5.3 Type of revenue involved:

Since the first paragraph of Article 3 of the Additional Protocol stipulates that Romania itself will meet the costs resulting from its participation, it will be invited to transfer its contribution to item 6091 of the EU's budget receipts. However, as the second paragraph of Article 3 states that the Community may supplement Romania's contribution (through its national Phare allocation), Romania will contribute only part from its national budget, with the remainder being charged to heading B7-503. A transfer from the relevant Phare appropriations (article B7-500) to article B7-503 will be made upon receipt of Romania's contribution.

6. TYPE OF EXPENDITURE OR REVENUE

- 100% subsidy
- subsidy for joint financing with other sources in the public and/or private sector
- no provision for all or part of the Community contribution to be reimbursed

As far as revenue is concerned, provision for Romania's contribution to cover the cost of its participation is made under item 6091. The revenue will be allocated to the items for expenditure on the five programmes in question and, where appropriate, to the relevant items of operating expenditure.

The total revenue expected is given under item 7.4.

7. FINANCIAL IMPACT

7.1 Method of calculating total cost of operation for 1998, 1999 and 2000 financial years (link between individual costs and total cost)

The calculation is based on the following preconditions:

- each partner country's contribution to the financing of the activities referred to in the Protocol is calculated according to the principle that the country bears the cost of participation itself. Heading 6091 has been created in the statement of budget revenue for that purpose;
- the Community may decide on a case-by-case basis to pay a supplement to the partner country's contribution. The supplement may be in the form of a contribution under the national PHARE programme.

Based on the Additional Protocol with Romania, the financial and budgetary arrangements for the five programmes concerned are as follows: the costs have been calculated on the basis of various parameters inherent in the five programmes, i.e. GDP per capita as weighted with PPP (purchasing power parities), population, and, where appropriate, health expenditure.

The cost of Romania's participation in Health promotion from 1998 will be ECU 65.645 per year.

For Combating cancer the annual contribution will be ECU 113.783 from 1998.

For Prevention of AIDS and other communicable diseases the annual contribution will be ECU 87.526 from 1998.

For Drug dependence the annual contribution will be ECU 43.763 from 1998.

For Equal opportunities for men and women the annual contribution will be ECU 157.454 from 1998.

The above-mentioned figures, from which the supplementary administrative costs -to be borne exclusively by Romania- have to be deducted, are divided per year and per programme as follows. ECU 656.313 of the operational costs will be covered from Romania's national budget and - subject to the procedures for programming the Phare programme - 656.313 from the annual Phare budget for Romania.

7.2 Itemised breakdown of cost

in ECU							
Programme		1998	1999	2000	Total	of which Romania	of which Phare
Health promotion		61.350	61.350	61.350	184.050	92.025	92.025
Combating cancer		106.339	106.339	106.339	319.017	159.509	159.508
Prevention of AIDS and certain other communicable diseases		81.800	81.800	81.800	245.400	122.700	122.700
Drug dependence		40.900	40.900	40.900	122.700	61.350	61.350
Equal opportunities for men and women		147.153	147.153	147.153	441.459	220.729	220.730
Total		437.542	437.542	437.542	1.312.626	656.313	656.313

7.3 Operational expenditure on studies, expert meetings, etc., included in Part B: None

7.4 Schedule for multiannual operations

Amounts to be charged to item B7-503

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	263.526	218.771	174.016			656.313
Payment appropriations (*)						
1998	109.488	128.304	25.734			263.526
1999		92.573	107.504	18.694		218.771
2000			70.158	85.702	18.156	174.016
subsequent years						
Total	109.488	220.877	203.396	104.396	18.156	656.313

Equal opportunities:

	1998	1999	2000	2001	TOTAL
Commitment appropriations	88.292	73.577	58.861	0	220.730
Payment appropriations (*)					
1998	26.488	61.804			88.292
1999		22.073	51.504		73.577
2000			17.658	41.203	58.861
subsequent years					
Total	26.488	83.877	69.162	41.203	220.730

Health Promotion:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	37.810	30.675	23.540			92.025
Payment appropriations (*)						
1998	16.000	14.500	7.310			37.810
1999		14.500	12.000	4.175		30.675
2000			10.500	9.000	4.040	23.540
subsequent years						
Total	16.000	29.000	29.810	13.175	4.040	92.025

Combating Cancer:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	63.804	53.169	42.535			159.508
Payment appropriations						
1998	30.500	24.500	8.804			63.804
1999		26.500	20.500	6.169		53.169
2000			18.000	16.499	8.036	42.535
subsequent years						
Total	30.500	51.000	47.304	22.668	8.036	159.508

Prevention of AIDS and other communicable diseases

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	49.080	40.900	32.720			122.700
Payment appropriations (*)						
1998	24.500	19.000	5.580			49.080
1999		19.500	17.000	4.400		40.900
2000			16.000	12.500	4.220	32.720
subsequent years						
Total	24.500	38.500	38.580	16.900	4.220	122.700

Drug dependence:

	1998	1999	2000	2001	2002	TOTAL
Commitment appropriations	24.540	20.450	16.360			61.350
Payment appropriations (*)						
1998	12.000	8.500	4.040			24.540
1999		10.000	6.500	3.950		20.450
2000			8.000	6.500	1.860	16.360
subsequent years						
Total	12.000	18.500	18.540	10.450	1.860	61.350

(*) Schedule based on the method of payment currently applying to these programmes

The foreseeable annual receipts are as follows:

Item 6091	1998	1999	2000	subsequent years	TOTAL
operational part	174.016	218.771	263.526	0	656.313
administrative part	30.629	30.629	30.629		91.887
total	204.645	249.400	294.155		748.200

8. FRAUD PREVENTION MEASURES; RESULTS OF MEASURES TAKEN

All the Commission's contracts, agreements and other legal commitments provide for on-the-spot checks by the Commission and 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.

The anti-fraud provisions of the basic budget headings apply to this heading too when adapted to the case of the countries of Central and Eastern Europe.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1. Specific and quantified objectives; target population

The objective of participation in the Fourth Action Programme on equal opportunities between men and women is the raising of awareness for equal opportunities rights and practices within the general public and the enforcement of equality directives. A particular target group is constituted by lawyers and representatives of governmental and non-governmental institutions who are in charge of monitoring the respect of equal opportunities laws and policies.

Concerning the Health Programmes, each programme covers a specific and targeted population and defines yearly priorities covering target objectives. Minorities, low income citizens and all those whose quality of life is below average are more at risk and have lower health status. Particular attention will therefore be paid to this population.

9.2. Grounds for the operation

- *Need for Community financial aid*

In view of the high cost of participation in the programmes and Romania's precarious budgetary situation, assistance from PHARE as provided for in Article 3(2) of the Additional Protocol is essential.

- *Choice of ways and means*

With a contribution from Romania's national budget, supplemented by one from PHARE, Romania's participation will contribute to getting acquainted with the internal policies and proceedings of the Community in the fields of Health and Social policy. The integration of Romanian nationals in Community networks will make a definite contribution to preparing Romania for future membership.

- *Main factors of uncertainty which could affect the specific results of the operation*

Since projects will be selected according to qualitative criteria, it will only be possible to measure the real impact on the basis of Romanian entities' and citizens' capacity to respond to the calls for proposal to be launched by the Commission under the five programmes.

9.3 Monitoring and evaluation of the operation

The monitoring and evaluation procedures included in the Health promotion, Combating cancer, Prevention of AIDS and other communicable diseases, Drug dependence and Equal opportunities for men and women programmes (notably in respect of evaluation, as included in the decisions establishing the five programmes) will also cover operations financed for Romanian beneficiaries.

10. ADMINISTRATIVE EXPENDITURE

The administrative resources required will actually be mobilised following the annual Commission Decision on the allocation of resources, taking account in particular of manpower and additional amounts granted by the budgetary authority. The supplementary needs can not, in any case, prejudge the decision that the Commission will need to take concerning:

- a) the request of new posts in the framework of the APB
- b) the resources allocation

10.1 Effect on the number of posts (in man/years)

Type of post	Staff required to manage the operation		Source		duration
	Permanent posts	Temporary posts	Existing resources of the DG or department concerned	Additional resources	1998-2000
Officials or temporary staff A B C			1.25 (1) 0.5 (2)		
Other resources (Technical assistance, A-7002)				0.0329	
TOTAL			1.75	0.0329	

(1) 0.25 per programme

(2) 0.1 per programme

10.2 Overall financial impact of the human resources

(in ECU)

	Total	Method of calculation (total cost of the action for the period 1998-2000)
Officials*	567.000	1.75 man/year (ECU 108.000/year) x 3 years
Temporary staff		
Other resources (Technical assistance, item A-7002)	9.887	0.0329 man/year (ECU 100.000 year x 3 years)
TOTAL	576.887	

* By using existing resources required to manage the operation (calculation based on titles A-1, A-2, A-4, A-5 and A-7).

The expenditure of item A-7002 (technical assistance) will be met from the receipts (art. 482, third indent of the Financial Regulation) received from the Romanian participation in Community programmes (see 5.3. of the Financial Statement).

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10.3 Increase in other administrative expenditure as a result of the operation

(in ECU)

Budget heading (No and title)	Total	Method of calculation (total cost of the action for the period 1998-2000) (Cost of missions 1.356 ECU; cost of meetings 857 ECU)
A-701 -missions	Rounded up 42.000	2 missions per year x 5 programmes x 3 years
A-7030 - meetings	Rounded up 40.000	Participation of a Romanian representative in 3 annual meetings x 5 programmes x 3 years
A-7031 - compulsory meetings		Cost of the additional presence of Romanian representatives
Total	82.000	

The above expenditure will be met from the receipts (article 4§2, third indent of the financial regulation) received from the Romanian participation in Community Programmes (see § 5.3 of the financial statement).

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