

COMMISSION REGULATION (EEC) No 585/93

of 12 March 1993

on the implementation of promotional and publicity measures in respect of milk and milk products

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1079/77 of 17 May 1977 on a co-responsibility levy and on the measures for expanding the markets in milk and milk products⁽¹⁾, as last amended by Regulation (EEC) No 1374/92⁽²⁾, and in particular Article 4 thereof,

Whereas promotional and publicity measures for milk and milk products were introduced in the Community in 1978 and have continued since then owing to their effectiveness in expanding the markets in milk products in the Member States; whereas they should accordingly be continued and duly qualified organizations should again be invited to propose detailed programmes of measures which they themselves would carry out;

Whereas the organizations which will be responsible for the measures must satisfy certain conditions; whereas, in particular, care must be taken to ensure that milk products from the Community are promoted; whereas the guidelines to be followed in this context were laid down in Commission communication 86/C 272/03 concerning State involvement in the promotion of agricultural and fisheries products⁽³⁾; whereas the activities of the organizations concerned as a whole must not in particular be liable to clash with the aim of promoting the disposal of milk products; whereas it is therefore essential that proposals from organizations whose activities also cover the production, distribution or sales-promotion of products imitating milk and milk products should be barred;

Whereas the provisions of this Regulation should not affect Council Regulations (EEC) No 2081/92⁽⁴⁾ and (EEC) No 2082/92⁽⁵⁾ on the protection of geographical indications and designations of origin for agricultural products and foodstuffs and on certificates of specific character for agricultural products and foodstuffs;

Whereas, in order to ensure that the deadline for the presentation of the report by the contractor is complied with, provision should be made whereby, if that deadline is exceeded, an amount shall be withheld from the Community funds allocated;

Whereas the Management Committee for Milk and Milk Products has not delivered an opinion within the time limit set by its chairman,

HAS ADOPTED THIS REGULATION:

Article 1

1. Subject to the conditions laid down in this Regulation, publicity and promotional measures for the human consumption of milk and milk products in the Community shall be partially financed.
2. For the purposes of paragraph 1 above, 'measures' shall mean any publicity or promotional measure, including referring to the products' nutritional characteristics, which is selected by the Commission in accordance with the procedure set out in Article 5 hereof.
3. Measures shall be carried out within two years of the signing of contracts as referred to in Article 5 (1).
4. The time limit fixed in paragraph 3 above shall not prevent measures as referred to in paragraph 2, implemented on or after 1 May 1993, from qualifying for Community financing.

Article 2

1. The measures:
 - (a) shall be proposed by organizations which have several years' experience of promoting milk and milk products, have the necessary qualifications to carry out the proposed measures and can ensure the satisfactory completion of the work;
 - (b) shall be carried out as far as possible by the organization which has made the proposal. In cases where that organization must use subcontractors, the proposal must contain a duly justified application for a derogation.
2. Such measures shall:
 - make use of the publicity media best suited to ensure maximum effectiveness for the measure undertaken,
 - take account of the particular conditions obtaining with regard to the marketing and consumption of the milk and milk products in the various regions of the Community,
 - take account of the special need to dispose of milk-fat,
 - be of a generic nature and not orientated on particular brand names or firms,

⁽¹⁾ OJ No L 131, 26. 5. 1977, p. 6.

⁽²⁾ OJ No L 146, 29. 5. 1992, p. 3.

⁽³⁾ OJ No C 272, 28. 10. 1986, p. 3.

⁽⁴⁾ OJ No L 208, 27. 7. 1992, p. 1.

⁽⁵⁾ OJ No L 208, 27. 7. 1992, p. 9.

- promote Community milk products without reference to their country or region of manufacture; however, this condition shall not exclude the mention of the traditional name of a product which includes a specified locality, region or country of the Community, without prejudice to the provisions deriving from the rules on designations of origin and certificates of specific character,
- not replace similar measures but, where appropriate, expand them,
- mention the Community's financial contribution to the measures concerned.

Proposals put forward by organizations whose activities are wholly or partly concerned with the production, distribution or sales-promotion of products imitating milk and milk product shall not be taken into consideration.

3. Community financing shall be limited to 90 %.
4. For the purposes of applying paragraph 3, no account shall be taken of administrative expenses incurred in carrying out the measures in question.
5. The contractor's overhead costs, including those of any subcontractors, shall be borne only up to a maximum of 2 % of total eligible expenditure, with a ceiling of ECU 10 000, provided that they are contained in the proposal. A contractor may not claim the maximum amount of ECU 10 000 more than once, even if he concludes several contracts. If the total overhead costs exceed ECU 2 000, they must be fully accounted for.

Article 3

1. Interested parties shall forward to the competent authority designated by the Member State in which the head office of the organization concerned is situated, (hereinafter referred to as 'the competent authority') detailed proposals concerning the measures in question, accompanied by a summary highlighting the main features of the proposed measures.

Should the proposed measures be carried out wholly or partly in the territory of one or more Member States other than that in which the head office of the organization concerned is situated, the organization shall send a copy of its proposal to each of the competent authorities in those other Member States.

Proposals must reach the competent authority before 15 April 1993. Where this date is not complied with, proposals shall be considered null and void.

2. Further rules for the submission of proposals shall be as set out in Annex I.

Article 4

1. Complete proposals shall include:
 - (a) the name and address of the party concerned;
 - (b) all details concerning the measures proposed, together with detailed descriptions and considerations indica-

ting the time required for completion, the expected results and any third party who may be involved;

- (c) a detailed presentation of the planned strategy for the whole programme and a summary of the proposal containing its main points;
- (d) the price asked for these measures, net of taxes, expressed in ecus, giving an itemized breakdown of this amount (in accordance with the table in Annex II) and showing the relevant financing plan;
- (e) the most recent report available on the party's activities, unless it is already in the possession of the competent authority.

2. Proposals shall be valid only where they are accompanied by a written undertaking to comply with the implementation criteria laid down by the Commission and put at the disposal of the parties concerned by the competent authority.

The implementation criteria shall be attached to the contract and shall form an integral part thereof.

Article 5

1. Before 10 May 1993, the competent authority shall compile a list of all the proposals received and forward it to the Commission, together with copies of each proposal, including any supporting documents, and a reasoned opinion indicating whether the proposal complies with the provisions applying.

The competent authority shall examine all proposals received and any supporting documents on a bilateral basis with the Commission and a group composed of experts on marketing, advertising and milk sales techniques.

After consulting the relevant economic groups and following examination by the Management Committee for Milk and Milk Products of the proposals pursuant to Article 31 of Council Regulation (EEC) No 804/68⁽¹⁾, the Commission shall establish as soon as possible a list of the proposals selected for financing and determine the date by which the competent authorities shall conclude with the interested parties contracts for the measures selected. The contracts shall be concluded in as many copies as there are signatories and shall be signed by the parties concerned and the competent authority. For that purpose the competent authorities shall use standard contracts to be provided by the Commission.

2. The competent authorities shall inform each applicant as soon as possible of the decision taken in respect of his proposal.

⁽¹⁾ OJ No L 148, 28. 6. 1968, p. 13.

3. Conclusion of a contract shall be subject to the lodging of a security equal to 15 % of the planned maximum amount of the Community funding. The security is intended to ensure that the contract is properly carried out.

Article 6

1. Contracts shall include the details referred to in Article 4 or make reference to them and supplement those details, where necessary, by additional conditions.

2. The competent authorities :

- (a) shall send a copy of the contract to the Commission forthwith ;
- (b) ensure compliance with the conditions of the contract, in particular by means of the following checks :
 - administrative checks and audits to verify the costs financed and compliance with financing rules,
 - checks to verify that measures are implemented in accordance with the provisions of the contract,
 - other on-the-spot checks, where necessary.

Contracting parties must be subject to at least two inspections during the period of validity of the contract.

Article 7

1. The financing shall be paid by the competent authority to the contractor in full in the form of a single advance transfer by 30 September 1993 at the latest.

2. For this purpose each contractor shall lodge a security equal to 120 % of the Community financing with the competent authority, at the latest when the contract is signed.

3. The securities referred to in paragraph 2 and in Article 5 (3) shall be released subject to :

- (a) the forwarding to the Commission and to the competent authority of the report referred to in Article 8 (1) and to verification of the details contained in that report ;
- (b) confirmation by the competent authority that the party concerned has fulfilled his obligations under the contract ; and
- (c) confirmation by the competent authority that the party concerned or any third party named in the contract has spent his own contribution for the purposes laid down.

4. Where securities are forfeit the amount in question shall be deducted from the expenditure of the European Agricultural Guidance and Guarantee Fund, Guarantee Section, expenditure and more particularly from expenditure arising out of the measures referred to in Article 4 of Regulation (EEC) No 1079/77.

Article 8

1. Each party responsible for one of the measures concerned shall submit to the Commission and to the competent authority, within four months of the final date fixed in the contract for implementing the measures, a detailed report on the utilization of the Community funds allocated and on the foreseeable results of the measures in question, in particular as regards the trend in sales of milk and milk products. If that report is submitted later than four months after that final date, 10 % of the Community contribution shall be withheld for each month commenced after expiry of that time limit.

2. The competent authority concerned shall forward to the Commission a statement to the effect that each contract has been performed satisfactorily, together with a copy of the final report.

Article 9

This Regulation shall enter into force on the seventh day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 12 March 1993.

For the Commission

René STEICHEN

Member of the Commission

ANNEX I

In accordance with Article 3, interested parties are hereby informed that proposals are to be sent, within the time limits laid down, to the following competent authorities, in one original and five copies by registered letter or by messenger with acknowledgement of receipt:

Member State	Competent authority
Belgium	Office national du lait et de ses dérivés, Rue Froissart 95-99, B-1040 Bruxelles.
Denmark	EF-Direktoratet, Frederiksborggade 18, DK-1360 København K.
Germany	Bundesanstalt für landwirtschaftliche Marktordnung (BALM), Adickesallee 40, D-6000 Frankfurt am Main.
Greece	Direction for the management of agricultural products (DIDAGEP), 241 Acharnon Street, 104-46 Athens (Greece).
France	Office national interprofessionnel du lait et des produits laitiers (Onilait), 2, rue St. Charles, F-75740 Paris Cedex 15.
Ireland	Department of Agriculture and Food, Milk Policy Division, Floor 1 East, Agriculture House, Kildare Street, IRL-Dublin 2.
Italy	Azienda di Stato per gli interventi sul mercato agricolo (AIMA), via Palestro 81, I-00198 Roma.
Luxembourg	Administration des Services techniques de l'agriculture, 16, route d'Esch, L-1470 Luxembourg.
Netherlands	Produktschap voor Zuivel, Sir Winston Churchillaan 275, NL-2288 EA Rijswijk (ZH).
United Kingdom	Intervention Board for Agricultural Produce, Livestock Products Division, Fountain House, 2 Queen's Walk, GB-Reading, Berks RG1 7QW.

Member State	Competent authority
Spain	Secretaría General de Alimentación, Ministerio de Agricultura, Pesca y Alimentación, Paseo Infanta Isabel 1, E-28014 Madrid.
Portugal	Instituto Nacional de Intervenção e Garantia Agrícola (INGA), Rua Camilo Castelo Branco, 45, 2º, P-1000 Lisboa.

Contract No

CONTRACT

.....
..... (1),

hereinafter referred to as 'the Competent Authority', represented for the purpose of signing this contract by (2)

.....,

of the one part

and

..... (3),

resident at (or whose registered office is at) (4)

.....,

(hereinafter referred to as 'the Contractor'), represented by (5)

.....

.....

by virtue of (6)

of the other part;

have agreed as follows :

- (1) Insert full name of the competent authority.
- (2) Name of the legal representative of the competent authority.
- (3) Full name of the Contractor.
- (4) Full address of the Contractor.
- (5) Where applicable, the name and function of the legal representative of the Contractor.
- (6) To be used only if the Contractor is a legal person or an association without legal capacity.

1. Purpose

- 1.1. The Contractor hereby undertakes to carry out measures, the purpose of which is as follows : (1). The said measures are defined in the Contractor's proposal as included in Annex 1. The measures shall be carried out in compliance with Regulation (EEC) No 585/93 (2) and with this contract.
- 1.2. Where there is a contradiction between this contract and the proposal, the provisions of the contract alone shall apply. Where there is a contradiction between the contract and Regulation (EEC) No 585/93, the Regulation alone shall apply.
- 1.3. Except as provided for in the implementation criteria included in Annex 2, this contract may be amended only by written agreement between the contracting parties, at the reasoned request of one of them following approval by the Commission of the European Communities.

2. Duration

The measures which are the subject of this contract shall be carried out before : (3).

3. Set-off of claims

The Contractor may not set off claims by the Competent Authority on him against claims by him on the Competent Authority except with the written consent of the Competent Authority and the Commission of the European Communities.

4. Financing and method of payment

- 4.1. The total cost of the measures which are the subject of this contract is (4).

The Community contribution is limited to (5).

The Contractor hereby undertakes to open a bank account to be used exclusively for all the financial transactions which must be carried out for the purposes of this contract.

The Community contribution shall be paid by the Competent Authority into the bank account indicated hereafter :

- 4.2. The lodging and release of securities shall be governed by Regulation (EEC) No 2220/85.
- 4.3. The Competent Authority may, after notifying the Contractor, defer the various payments or have such payments deferred if verification of the documents and information provided for in paragraphs 6.1 and 6.2 reveals anomalies, and in particular that the implementation of the measures does not seem to be in accordance with the programme agreed or that the statement of expenditure does not seem to correspond to the measures actually carried out. A deferred payment shall be made after the Contractor has provided satisfactory explanations.
- 4.4. If verification reveals that certain amounts have been wrongly paid to the Contractor, a corresponding amount of the security lodged pursuant to Article 7(2) of Regulation (EEC) No 585/93 shall be forfeited. In addition, the sum owed by the Contractor shall bear interest, calculated from the date on which the amount was wrongly paid, at the rate applied by the European Monetary Cooperation Fund to its operations in ecus, as published in the C series of the *Official Journal of the European Communities*, in force on that date.

5. Implementation of the measures

- 5.1. The Contractor shall have technical and financial responsibility for the measures specified in Annex 1, including the compatibility of such measures with the relevant rules on competition.
- 5.2. The Contractor shall bear sole responsibility for obtaining any permits or authorizations required for the performance of the contract.

Where the Contractor is unable, through his own fault, to obtain one of the permits or authorizations required for the performance of the contract, the contract shall be terminated without prior notice by the Competent Authority.

(1) Insert a brief description of the proposal.

(2) OJ No L 61, 13. 3. 1993, p. 26.

(3) Insert the date.

(4) Insert the total amount in ecus.

(5) Insert the maximum amount in ecus.

- 5.3. The Contractor shall, without delay, assign to the performance of the contract the staff provided for in the proposal, together with any other staff necessary for the proper performance of the tasks incumbent on the Contractor

Where staff are designated by name in the proposal, the Contractor or, where appropriate, the subcontractor shall have the option of replacing such staff by staff with equivalent qualifications, subject to prior approval by the Competent Authority.

- 5.4. The Contractor shall provide the Competent Authority without delay with full particulars of any incident, delay or event likely to jeopardize the performance of this contract or compliance with the time limit specified in paragraph 2.

6. Checks

- 6.1. The Contractor and any subcontractors shall keep separate accounts in respect of the measures which are the subject of this contract. These accounts shall also, where applicable, be separate from those relating to measures carried out under contracts concluded pursuant to Community Regulations prior to the Regulation governing this contract.

Every three months the Contractor and any subcontractors shall submit to the Competent Authority a report on work carried out and copies of supporting documents with details of costs actually incurred in the performance of this contract.

- 6.2. The Commission of the European Communities and the Competent Authority shall be entitled, for the purpose of carrying out audits, to have access to all books, documents, papers and records relating to expenditure in respect of the performance of the contract during the period laid down in the contract for implementation of the measures and for a period of five years after the expiry of that period.

All supporting documents must be kept by the Contractor for the same five-year period.

- 6.3. Statements may be subject to verification even after payment of the Community contribution has been made by the Competent Authority, and may be challenged by the Commission of the European Communities or the Competent Authority at any time prior to the end of the five-year period provided for in point 6.2.

- 6.4. The Contractor shall submit to the Competent Authority, within four months of the final date laid down in paragraph 2, a detailed report on the utilization of the Community funds allocated and on the foreseeable results of the measures in question, in particular concerning the trend in sales of milk and milk products. This report shall be accompanied by summary extracts from the supporting documents kept by the Contractor relating to the expenditure actually incurred in the performance of this contract.

- 6.5. The Contractor hereby undertakes to comply with the instructions of the Commission of the European Communities and the Competent Authority regarding the keeping of accounts (Annex 3).

7. Rebates, incomes and transfer of materials

- 7.1. The Contractor must take every opportunity to obtain rebates, reductions of commission.

He hereby undertakes to credit to the accounts referred to in paragraph 6 (1) any such rebates, reductions or commission.

- 7.2. The Contractor must credit to the accounts referred to in paragraph 6.1 any income arising from carrying out the measures which are the subject of this contract.

- 7.3. The Contractor may not transfer to third parties the material produced under this contract or the rights to use such material.

8. Transfers and subcontracting

- 8.1. None of the rights or obligations arising from this contract may be transferred by the Contractor without prior written authorization by the Competent Authority and the Commission of the European Communities.

- 8.2. The contract shall be performed by the Contractor himself. However, after making a duly reasoned request for a derogation, the Contractor may be authorized by the Competent Authority to entrust the implementation of certain of the measures which are the subject of this contract to third parties, whether natural or legal persons, but shall nevertheless not thereby be released from his obligations under this contract.

- 8.3. The Contractor shall include in any subcontracts stipulations whereby the Competent Authority can exercise the same rights and enjoy the same guarantee *vis-à-vis* the subcontractors as *vis-à-vis* the Contractor himself.

9. Specific undertakings

The Contractor hereby undertakes for the duration of the execution of the contract as regards himself as well as any subcontractors :

- 9.1. not to use his activities under this contract to promote brands or names of firms ;
- 9.2. not to produce, distribute or promote the sales of imitation milk products ;
- 9.3. to fulfill the requirements of Council Regulation (EEC) No 1897/87 ⁽¹⁾ on the protection of designations used in the marketing of milk and milk products ;
- 9.4. to indicate clearly and legibly on all documents he produces that the Commission of the European Communities has contributed to financing the measures which are the subject of this contract.

10. Termination of the contract

- 10.1. In the event of non-performance by the Contractor, in full or in part, of one or more of his obligations under this contract the Competent Authority shall, by registered post with acknowledgement of receipt, serve notice upon the Contractor.

If, on the expiry of one month following such service the Contractor is still in breach of his obligations the Competent Authority shall terminate the contract without delay.

- 10.2. Without prejudice to paragraph 5.2. the contract shall be terminated without prior notice by the Competent Authority in the following cases :

- (a) where the Competent Authority duly finds that the Contractor has seriously failed to fulfil his obligations under this contract ;
- (b) where the Contractor has made false statements in order to obtain the Community contribution.

- 10.3. In the circumstances referred to in paragraphs 5.2, 10.1 and 10.2, the Contractor shall forfeit the security lodged pursuant to Article 7 (1) of Regulation (EEC) No 585/93 in proportion to the amount of the Community contribution wrongly paid to the Contractor. Interest at the annual rate referred to in paragraph 4.4 calculated from the date on which the amount was wrongly paid shall also be payable to the Commission on any sums wrongly paid to the Contractor.

- 10.4. The amount due to the Contractor shall be determined on the basis of the actual cost of the measures carried out in accordance with the contract before its termination. No payment shall be due in cases where only preparatory work has been carried out.

- 10.5. Except in cases of *force majeure*, paragraph 10.3 shall also apply if circumstances beyond the control of the Contractor prevent his from fulfilling his obligations, either wholly or in part.

11. Spread of risk

The Contractor shall not be entitled to payment if he is prevented by *force majeure* from performing the tasks assigned to him. Part performance only of any such task shall result in part payment.

12. Liability towards third parties

The Contractor and his subcontractors shall bear sole liability for any loss or damage incurred by them in the performance of the contract. They shall cover and indemnify the Commission of the European Communities or the Competent Authority against any liability action and/or claim for damages brought by third parties or by their staff. They shall also bear the costs and expenditure arising from the proceedings referred to in paragraphs 13.1 and 13.2.

13. Litigation between the Contractor and third parties

- 13.1. If the Competent Authority requests the Contractor to have recourse to administrative bodies or to go to law, in the event of litigation with third parties arising from the performance of this contract, the Contractor shall be obliged to comply with the instructions of the Competent Authority.

- 13.2. The Contractor shall inform the Competent Authority in writing of any appeal made to administrative authorities or any legal action taken against him in connection with the performance of this contract. The contracting parties shall decide by mutual agreement on the steps to be taken.

⁽¹⁾ OJ No L 182, 3. 7. 1987, p. 36.

14. Annexes

The following Annexes form an integral part of this contract :

Annex 1 : Text of the proposal as approved by the Commission (including the budget and the summary).

Annex 2 : Implementation criteria.

Annex 3 : Instructions concerning the keeping of accounts.

15. Tax provisions

The Community contribution is exempt from all duties and taxes, and in particular from value added tax, pursuant to Articles 3 and 4 of the Protocol on the Privileges and immunities of the European Communities. For the purposes of Articles 3 and 4 of that Protocol, the Contractor shall comply with the instructions of the Commission of the European Communities.

16. Applicable law and competent court

16.1. This contract shall be governed by the law of the country of the Competent Authority.

16.2. All disputes between the Competent Authority and the Contractor, or any litigation brought by one party against the other on the basis of this contract, regarding which it has not been possible to reach an amicable agreement between the contracting parties, shall be referred to the courts of the above-mentioned country.

Done at

Done at

For the Competent Authority

For the Contractor

ANNEX 1

(Text of the proposal)

1. Text as approved by the Commission
2. Budget which will show for each product the different measures envisaged : advertising (by separate media), public relations (cf. model annexed to the Regulation)
3. Summary (120 words maximum) of the essential elements of the proposal highlighting the promotion strategy adopted.

ANNEX 2

Implementation criteria

I. General conditions

1. The Community contribution will be calculated on the basis of the net real costs. Where value added tax is recoverable by the Contractor. It is not to be financed. In other cases, it can form part of the allowed expenditure if it has been indicated in the proposal and is included in the contract.
2. Any income accruing to the Contractor or subcontractors from the implementation of the measure (e.g. proceeds from the sale of products or receipts by way of transfer of know-how) must be declared by the contractor and deducted from the financing plan in the final statement.

Where fees are received for courses the Contractor and/or subcontractor are obliged to submit a financing plan giving a clear indication of receipts and expenses.

Any interest accruing from investment of the advance fixing must be credited to the account for the measure and used within the framework thereof.

If the Contractor and/or subcontractor have recourse to third parties, a number of tenders must be obtained.

3. Travelling expenses shall be eligible for reimbursement within the following limits :

(a) travel costs :

- air : tourist class,
- rail : first class,
- vehicle owned by Contractor or subcontractor or their colleagues : mileage allowance of ECU 0,25 per kilometre,
- taxis : not eligible for reimbursement ;

(b) other expenses

- flat-rate amount of ECU 70 per person per day.

Where the Contractor is obliged to organize group travel, payment will be made upon presentation of the transport invoices, together with the ticket(s), and of the bills for meals and/or accommodation, together with an attendance list duly signed by the participants.

4. In the case of measures implemented by the Contractor's own staff, an average amount of ECU 3 500/month per person shall be eligible for Community financing, subject to a maximum of ECU 4 000 in duly justified individual cases ; this amount includes all social security and similar payments. The costs of personnel engaged solely in planning, management and supervision (technical coordination costs) and typing shall be included in the overhead costs. Part-time posts must be justified and a work certificate must be presented.

The estimate of personnel costs in the case of publicity measures, in particular radio/TV spots, press releases or posters, shall be limited to 12 months per person. Contract extensions are not grounds for extending this period.

The costs of management personnel not directly engaged in the technical coordination and implementation of the measure shall not be eligible.

5. The breakdown of expenditure annexed to each contract may be modified by the contractor subject to a 20 % limit on transfers from one heading to another. No heading may be modified by more than 20 % without prior approval.

Transfers of more than 20 % per heading may be made only with the prior written consent of the Competent Authority and the Commission, on the basis of a written reasoned request by the Contractor. The Commission shall receive a copy of all approved modifications. Authorization must be granted at least three months before the expiry date of the original contract.

6. The amounts specified in the contract shall be converted into national currency at the green rate applicable on the closing date for submission of proposals.

7. Where agencies are used, their management fees may not exceed 15 % of their total costs, including any consultants fees.

8. Measures may be financed only if they are carried out within the prescribed deadline. The date of execution is applicable, and not the date of invoice. The settlement of accounts must take place within the time limit specified in the contract. Any corrections made by the Contractor after that date shall not be accepted.

9. Materials taken out of stocks shall not be eligible. Expenditure incurred after the final date for execution of the contract shall not be eligible.

10. Expenditure under the heading 'Insurance against risks or damage' and the heading 'Securities' shall not be eligible.

11. Sickness or public engagements of colleagues cannot be considered as unforeseeable circumstances and do not warrant an extension of the contractual period.

12. The final report must be accompanied by a summary (of about 250 words), a résumé (of about 60 words) and a list of key words (maximum eight). If the report is not drawn up in English, the summary, résumé and key words must be provided in that language.

II. Special conditions relating to promotional and publicity measures

1. Acquisitions considered as assets and leasing costs shall not be eligible for financing. Any expenditure on office equipment must be met from overheads, where such equipment is essential for the implementation of the measures.
2. In no circumstances shall firms producing or marketing milk products be admissible as Contractors or subcontractors, if they implement the measures themselves.
3. Generic parts of mixed advertisements may be financed in proportion to the total amount, provided that such costs can be identified. Otherwise, no Community financing shall be granted.
4. Where promotional measures include seminars, these may not qualify as regular training. Expenditure on such measures may be considered eligible within the limit of the actual costs incurred, where proof is duly supplied by the Contractor or subcontractor. However, detailed proof is not necessary if the amount claimed per participant does not exceed ECU 30 per day.
5. Promotional materials unused after the final date of the contract shall be eligible for financing only if they have been produced at least three months prior to the expiry of the original contractual period and provided that the unused quantity is not excessive.
6. Post-tests are no longer compulsory and are therefore no longer eligible.

III. Special conditions relating to measures to improve the quality of milk

1. The leasing of installations and equipment shall not be eligible for financing.
2. Expenditure related to individual counselling given to producers shall be subject to the general conditions of these implementation criteria, in particular paragraphs 4 and 5 of Chapter I.

ANNEX 3

Instructions concerning the keeping of accounts

1. A separate account shall be kept for each contract (cf. Article 4 (1) of the contract).
2. Invoices must :
 - show the name of the firm or person who issued them, the name or business name of the Contractor or, where appropriate, his client No., the amount of the invoice in national currency and the date of the invoice. The equivalent amount in ecus (at the rate effective on the final date permitted for the submission of proposals) may be juxtaposed so that the expenditure position may be checked against the budget annexed to the contract ;
 - be filed and numbered in chronological order of issue.
3. Invoices should be listed by expenditure heading (e.g. personnel, travel, materials, transport, etc.).
4. If not all the services billed are related to the contract, specify which should be taken into account.
5. The accounts must be closed within four months of termination of the measures. However, this time limit may be extended to take account of any disputes.