DECISION No 4/98 OF THE ASSOCIATION COUNCIL,

association between the European Communities and their Member States, of the one part, and the Republic of Bulgaria, of the other part

of 23 November 1998

adopting the terms and conditions for the participation of Bulgaria in the Community programme in the field of small and medium-sized enterprises

(1999/111/EC)

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 [2], concerning Bulgaria's participation in Community programmes, and in particular Articles 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 field of small and medium-sized enterprises;

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 third multiannual programme for small and medium-sized enterprises (SMEs) in the European Union (1997 to 2000) 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 for the duration of the programme.

Article 3

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

Done at Brussels, 23 November 1998.

For the Association Council

The President

N. MIHAILOVA

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[1] OJ L 358, 31.12.1994, p. 2.
[2] OJ L 317, 30.12.1995, p. 25.

ANNEX I

TERMS AND CONDITIONS FOR THE PARTICIPATION OF BULGARIA IN THE THIRD MULTIANNUAL PROGRAMME FOR SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs) IN THE EUROPEAN UNION (1997 TO 2000)

1. Bulgaria will participate in all activities of the third multiannual programme for small and medium-sized enterprises (SMEs) in the European Union (1997 to 2000) (hereinafter called 'the programme'), except for the organisation of IBEX events in 1998 and 1999, in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and time limits laid down in Council Decision 97/15/EC of 9 December 1996 on a third multiannual programme for small and medium-sized enterprises (SMEs) in the European Union (1997 to 2000) [1], and in particular Article 7(1) 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 the same as those applicable to eligible institutions, organisations and individuals of the Community.

3. Where appropriate, in order to ensure the Community dimension of the programme, 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 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. 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 programme (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 programme 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 evaluation of the programme according to the Decision on a third multiannual programme for small and medium-sized enterprises (SMEs) in the European Union (Article 6), the participation of Bulgaria in the programme will be continuously evaluated 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 4 of the Decision on a third multiannual programme for small and medium-sized enterprises (SMEs) in the European Union, Bulgaria will be invited to coordination meetings on any question concerning the implementation of this Decision prior to regular meetings of the Programme Committee. 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 programme will be one of the official languages of the Community.

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[1] OJ L 6, 10.1.1997, p. 25.

ANNEX II

FINANCIAL CONTRIBUTION OF BULGARIA TO THE THIRD MULTIANNUAL PROGRAMME FOR SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs) IN THE EUROPEAN UNION (1997 TO 2000)

1. The financial contribution of Bulgaria will cover:

   — financial support from the programme to the participation of Bulgarian entities in activities as defined in Annex I.1,

   — supplementary costs of an administrative nature related to the management of the programme 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 programme 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 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 Bulgaria.

3. Bulgaria's annual contribution will be ECU 726 102 in 1998 and 1999 and ECU 833 102 in 2000. From these sums, an amount of ECU 47 502 in 1998 and 1999 and ECU 54 502 in 2000 will cover supplementary administrative costs related to the management of the programme by the Commission stemming from Bulgaria's participation.

4. The financial regulations applicable to the general budget of the European Communities 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 ecus 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 Cooperation Fund, for the month of the due date, for its operations in ecus, increased by 1,5 %.

5. Bulgaria will pay the supplementary administrative costs referred to in paragraph 3 from its national budget.

6. Of the remaining costs of its participation in the programme, Bulgaria will pay ECU 0 in 1998, ECU 97 719 in 1999 and ECU 278 739 in 2000 from its national budget.

   Subject to regular PHARE programming procedures, the remaining ECU 678 600 in 1998, ECU 580 881 in 1999 and ECU 499 861 in 2000 will be paid from Bulgaria's annual PHARE allocation.