DECISION No 4/98 OF THE ASSOCIATION COUNCIL

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

of 27 November 1998

adopting the terms and conditions for the participation of the Czech Republic in the Community programme for energy efficiency, SAVE II

(1999/16/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 Czech Republic, 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 Czech Republic, of the other part, concerning the Czech Republic's participation in Community programmes [2], and in particular Articles 1 and 2 thereof,

Whereas, according to Article 1 of the said Additional Protocol, the Czech Republic may participate in Community framework programmes, specific programmes, projects or other actions, including those in the field of energy;

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

HAS DECIDED AS FOLLOWS:

Article 1

The Czech Republic shall participate in the European Community programme SAVE II 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 SAVE II programme.

Article 3

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

Done at Brussels, 27 November 1998.

For the Association Council

The President

J. KAVAN

[1] OJ L 360, 31. 12. 1994, p. 2.
[2] OJ L 317, 30. 12. 1995, p. 44.

ANNEX I

TERMS AND CONDITIONS FOR THE PARTICIPATION OF THE CZECH REPUBLIC IN THE MULTIANNUAL COMMUNITY PROGRAMME FOR ENERGY EFFICIENCY, SAVE II

1. The Czech Republic will participate in all actions of the multiannual Community programme for energy efficiency, SAVE II (hereinafter called 'SAVE II') in conformity, unless otherwise provided in this Decision, with the objectives, criteria, procedures and time limits laid down in Council Decision 96/737/EC of 16 December 1996 concerning a multiannual programme for the promotion of energy efficiency in the Community — SAVE II [1] establishing a five-year programme for the preparation and implementation of measures and actions in a cost-effective manner in order to promote energy efficiency within the Community.

2. The terms and conditions for the submission, assessment and selection of applications related to eligible institutions, organisations and individuals of the Czech Republic will be the same as those applicable to eligible institutions, organisations and individuals of the Community, set within the limits of the financial contribution of the Czech Republic less administrative costs as provided in Annex II.

3. Where applicable, to ensure the Community dimension of SAVE II, transnational projects and activities proposed by the Czech Republic 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 SAVE II, 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 activity.

4. The Czech Republic will take all necessary steps to ensure national coordination and organisation of participation in SAVE II.

5. The Czech Republic will pay each year a contribution to the general budget of the European Communities to cover the costs resulting from its participation in SAVE II (see Annex II).

   The Association Committee is entitled to adapt this contribution whenever necessary.

6. The Member States of the Community and the Czech Republic will make every effort, within the framework of existing provisions, to facilitate the free movement and residence of persons moving between the Czech Republic and the Member States of the Community for the purpose of participating in activities covered by this Decision.

7. Without prejudice to the responsibilities of the Commission and the Court of Auditors of the European Communities in relation to the monitoring and evaluation of SAVE II pursuant to Article 5 of Decision 96/737/EC, the participation of the Czech Republic in the programme will be continuously monitored on a partnership basis involving the Czech Republic and the Commission of the European Communities. The Czech Republic will submit the necessary reports to the Commission and take part in other specific activities set out by the Community in that context.

8. Without prejudice to the procedures referred to in Articles 4 and 5 of Decision 96/737/EC, the Czech Republic will be invited to coordination meetings on any question concerning the implementation of this Decision prior to the regular meetings of the SAVE Committee. The Commission will inform the Czech Republic about the results of such regular meetings.

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

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[1] OJ L 335, 24. 12. 1996, p. 50.

ANNEX II

FINANCIAL CONTRIBUTION OF THE CZECH REPUBLIC TO SAVE II

1. The financial contribution of the Czech Republic will cover:
   — subsidies or any other financial support from the programme to Czech participants,
   — supplementary administrative costs related to the management of the programme by the Commission of the European Communities stemming from the Czech Republic's participation.

2. For every financial year, the aggregated amount of subsidies or any other financial support received from the programme by Czech beneficiaries will not exceed the contribution paid by the Czech Republic, after deduction of the supplementary administrative costs.

   Should the contribution paid by the Czech Republic to the general budget of the European Communities, after deduction of the supplementary administrative costs, be higher than the aggregated amount of the subsidies or other financial support received by the Czech 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 the Czech Republic.

3. The Czech Republic's annual contribution will be ECU 386 280 from 1998. From this sum, an amount of ECU 26 280 will cover supplementary administrative costs related to the management of the programme by the Commission stemming from the Czech Republic's participation.

4. The Financial Regulation applicable to the general budget of the European Communities will apply, notably to the management of the contribution of the Czech Republic.

   Upon the entry into force of this Decision and at the beginning of each year, the Commission will send to the Czech Republic 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.

   The Czech Republic 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 will give rise to the payment of interest by the Czech Republic 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 [1], increased by 1,5 %.

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

6. The Czech Republic will pay ECU 210 000 of the remaining cost of its participation in SAVE II from its national budget.

   Subject to regular Phare programming procedures, ECU 150 000 will be paid from the Czech Republic's annual PHARE allocation.

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[1] Rate published monthly in the *Official Journal of the European Communities* — C series.