COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.7.2006
COM(2006) 422 final

2006/0141 (CNS)

Proposal for a

COUNCIL DECISION

on the signature of the Scientific and Technological Cooperation Agreement between the European Community and the Republic of Korea

Proposal for a

COUNCIL DECISION

on the conclusion of the Scientific and Technological Cooperation Agreement between the European Community and the Republic of Korea

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. The Community and the Republic of Korea (hereinafter "Korea") have similar research priorities, such as life sciences and technologies, information society technologies and telecommunications, industrial and materials technologies, sustainable development, renewable energy sources, satellites, Earth observation, etc. and both are also members of ITER, the International Thermonuclear Experimental Reactor.

2. Korea is committed to strengthening its research base and annually invests almost 3% of its GDP in this field.[1] Therefore Korea is a very important partner for Europe to cooperate with in the area of science and technology.

3. Considering the importance of science and technology for economic and social development in Europe and Korea, both parties expressed the desire to upgrade and intensify their co-operation in areas of common interest:

   – In May 2003, during his meeting with Mr. Busquin in Brussels, the Korean Science Minister, Mr. Park expressed Korea's wish to negotiate a scientific and technological cooperation agreement in order to enhance and strengthen scientific and technological cooperation.

   – In October 2003, the Korean Mission to the European Union officially informed the Commission services of Korea's desire to open negotiations on a scientific and technological cooperation agreement

   – On 7 March 2005, the Council authorised the Commission to negotiate an Agreement for scientific and technological cooperation between the European Community and Korea. The negotiations resulted in the attached agreement initialled on 21 December 2005.

4. The Agreement is based on the principles of mutual benefit, reciprocal opportunities for access to each other's programmes and activities relevant to the purpose of the Agreement, non-discrimination, the effective protection of intellectual property and equitable sharing of intellectual property rights.

5. It shall be concluded for an initial period of five years and be tacitly renewed, subject to the recommendation of an external independent evaluation carried out during the penultimate year of each successive five-year period.

[1] Korea R&D investment (2002): 2.91% of GDP, 15 billion €

6. In the light of the above-mentioned considerations, the Commission proposes that the Council:

- Approves on behalf of the European Community the decision on the signature, and after the consultation of the European Parliament,

- Approves the decision on the conclusion of the Scientific and Technological Cooperation Agreement between the European Community and Korea.

Proposal for a

COUNCIL DECISION

on the signature of the Scientific and Technological Cooperation Agreement between the European Community and the Republic of Korea

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 170 in conjunction with the first sentence of the first subparagraph of Article 300 (2) thereof,

Having regard to the proposal from the Commission[2],

Whereas:

(1) By its decision of 7 March 2005 the Council authorised the Commission to negotiate with the Republic of Korea an Agreement for scientific and technological cooperation between the European Community and Korea.

(2) On behalf of the Community, the Commission negotiated an Agreement with the Republic of Korea in accordance with the directives in the Annex to the Council decision authorising the Commission to negotiate a scientific and technological cooperation Agreement.

(3) The negotiations resulted in the attached agreement initialled on 21 December 2005.

(4) It is necessary to sign the Agreement negotiated by the Commission in view of its possible conclusion at a later date.

HAS DECIDED AS FOLLOWS:

Sole Article

Subject to its conclusion at a later date, the President of the Council is hereby authorised to designate the person or the persons empowered to sign on behalf of the European Community the Agreement for scientific and technological cooperation between the European Community and Korea.

The text of the Agreement is annexed to this decision.

Done at Brussels,

For the Council
The President

[2] OJ C […], […], p. […].

2006/0141 (CNS)

Proposal for a

COUNCIL DECISION

on the conclusion of the Scientific and Technological Cooperation Agreement between the European Community and the Republic of Korea

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 170 in conjunction with the first sentence of the first subparagraph of Article 300 (2) and the first subparagraph of article 300 (3) thereof,

Having regard to the proposal from the Commission[3],

Having regard to the opinion of the European Parliament[4],

Whereas:

(1) The Agreement was signed on behalf of the Community on …. subject to its possible conclusion at a later date, in conformity with Decision …/…/EC of the Council on ….;

(2) The Agreement should be approved,

HAS DECIDED AS FOLLOWS:

Article 1

The Agreement for scientific and technological cooperation between the European Community and the Republic of Korea is hereby approved on behalf of the Community.

The text of the Agreement is annexed to this decision.

Article 2

The President of the Council shall, acting on behalf of the Community, give the notification provided for in article 12 (1) of the Agreement.

Done at Brussels,

For the Council
The President

[3] OJ C […], […], p. […].
[4] OJ C […], […], p. […].

ANNEX

Agreement on Scientific & Technological Cooperation between the European Community and the Government of the Republic of Korea

The European Community (hereinafter referred to as the "Community") and the Government of the Republic of Korea (hereinafter referred to as "Korea"), hereinafter jointly referred to as "the Parties";

CONSIDERING that the Community and Korea are pursuing research, technological development and demonstration activities in a number of areas of common interest, and being aware of the rapid expansion of scientific knowledge and its positive contribution in promoting bilateral and international co-operation;

WISHING to broaden the scope of scientific and technological cooperation in a number of areas of common interest through the creation of a productive partnership for peaceful purposes and mutual benefits;

NOTING that such cooperation and the application of the results of such cooperation will contribute to the economic and social development of the Parties; and

DESIRING to establish a formal framework to implement the overall cooperative activities that will strengthen cooperation in "science and technology" between the Parties;

HAVE AGREED AS FOLLOWS:

Article 1 – Purpose and Principles

1. The Parties shall encourage, develop and facilitate cooperative activities under this Agreement in the areas of science and technology for peaceful purposes, in accordance with this agreement and the laws and regulations of both Parties.

2. The cooperative activities under this Agreement shall be carried out on the basis of the following principles:

   (a) Mutual and equitable contributions and benefits;

   (b) Mutual access of the research and technological development programmes, projects and facilities of each Party by visiting researchers of the other Party;

   (c) Timely exchange of information which may concern cooperative activities;

   (d) Promotion of a knowledge-based society for the benefit of an economic and social development of the Parties; and

   (e) Protection of intellectual property rights in accordance with Annex II of this Agreement.

Article 2 – Definitions

For the purpose of this Agreement

1. "direct cooperative activities" mean co-operative activities between the Parties;

2. "indirect cooperative activities" mean activities between legal entities established in Korea and the Community through the participation of Korean legal entities in the Community Framework Programme under Article 166 of the Treaty establishing the European Community (hereinafter referred to as "the Framework Programme") and the reciprocal participation of the legal entities established in the Community in Korean research programmes or projects in science and technology fields similar to those covered by the Framework Programme;

3. "cooperative activities" include both direct and indirect cooperative activities;

4. "legal entity" means any natural or legal person created under the national law of its place of establishment or under Community law, having legal personality and being entitled to the rights and subjected to the obligations of any kind in its own name.

Article 3 – Cooperative Activities

1. The direct cooperative activities under this Agreement may include:

   (a) Meetings of various forms, including those of experts, to discuss and exchange information on scientific and technological topics of a general or specific nature and to identify research and development projects and programmes that may be undertaken on a cooperative basis;

   (b) Exchange of information on activities, policies, practices, laws and regulations concerning research and development;

   (c) Visits and exchanges of scientists, technical personnel and other experts on general or specific subjects;

   (d) Implementation of cooperative projects and programmes which may be decided upon by the Joint Committee, referred to in Article 6 in accordance with the respective laws and regulations of the Parties; and

   (e) Other forms of activities in the areas of science and technology, which may be decided upon by the Joint Committee, referred to in Article 6 in accordance with the respective laws and regulations of the Parties.

2. For the purpose of developing indirect cooperative activities, and subject to the Annexes to this agreement, any legal entity established in Korea or the Community may participate in research programmes or projects operated by the other Party and opened to its legal entities, in accordance with the respective laws and regulations of the Parties.

Article 4 – Implementation Procedures

1. Implementation of arrangements, which set forth the details and procedures of cooperative activities under this Agreement, may be concluded between the Parties.

2. Each Party may delegate the implementation of scientific and technological cooperative activities of the Parties to specific institutions for direct implementation or support of scientific and technological cooperative activities between the Parties.

3. Scientific and technological cooperative activities not based on specific agreements that have been encouraged, developed and facilitated by the Parties and have been commenced and not completed by the date of entry into force of this Agreement, shall be incorporated under this Agreement as of that date.

Article 5 – Enhancement of Cooperation

1. Each Party shall make every effort to accord with the legal entities carrying out cooperative activities under this Agreement, all potential facilities with a view of facilitating the works and visits of researchers participating in these cooperative activities along with the entry and exit from its territory of materials, data and equipments intended for use in these cooperative activities.

2. With regard to the cooperative activities under this Agreement, the Parties may allow, if appropriate and for peaceful purposes, the participation of researchers and organisations from all sectors of the research establishment including the private sector.

Article 6 – Joint Committee

1. The coordination and facilitation of cooperative activities under this Agreement shall be carried out, on behalf of Korea, by the Ministries of Korea responsible for Science and Technology and, on behalf of the Community, by the services of the Commission of the European Communities (Directorate General for Science, Research and Development), who shall be acting as executive agents.

2. For the purpose of ensuring the effective implementation of this Agreement, the executive agents shall establish a Joint Committee on Scientific and Technological Cooperation (hereinafter referred to as "the Joint Committee"). The Joint Committee shall consist of official representatives of each Party and shall be co-chaired by the representatives of both Parties. The Joint Committee shall establish its own rules of procedure by mutual consent.

3. The functions of the Joint Committee shall be:

   (1) Exchanging views and information on scientific and technological policy issues;

   (2) Reviewing and discussing the cooperative activities and accomplishments under this Agreement;

(3) Making recommendations to the Parties with regard to the implementation of this Agreement, which may include the identification and proposal of the cooperative activities hereunder and the encouragement of their implementation;

(4) Providing a report to the Parties on the status, the achievements and the effectiveness of the cooperative activities under this Agreement. This report shall be transmitted to the EU-Korea Joint Committee under the Framework Agreement for Trade and Cooperation.

4. Decisions of the Joint Committee shall be reached by mutual consent.

5. The expenses of participant for the meetings of the Joint Committee, such as travel costs and accommodation shall be borne by the Parties to whom they relate. Any other costs associated with these meetings shall be borne by the host Party.

6. The Joint Committee shall meet alternately in Korea and the Community with the time of the meetings arranged upon mutual agreement, preferably annually.

Article 7 – Funding

1. Implementation of this Agreement shall be subject to the availability of appropriated funds and the applicable laws and regulations of each Party.

2. The costs of the cooperative activities under this Agreement shall be borne as decided upon by mutual consent.

3. When specific cooperative schemes of one Party provide financial support to the participants from the other Party, any grants and financial or other contributions from one Party to the participants of the other Party in support of those activities shall be granted tax and customs exemption in accordance with the relevant laws and regulations in force in the territories of each Party at the time such grants and financial or other contributions are made.

Article 8 – Information and Intellectual Property Rights

1. Scientific and technological information of a non-proprietary nature arising from direct cooperative activities may be made available to the public by either Party through customary channels and in accordance with its general procedures.

2. Intellectual property rights and other proprietary rights created or introduced in the course of the cooperative activities under this Agreement shall be treated in accordance with the provisions of Annex II of this Agreement.

Article 9 – Territorial Application

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Community is applied and under the conditions laid down in that Treaty and, on the other hand, to the Territory of Korea. This shall not prevent the conduct of cooperative activities in the high seas, outer space or the territory of third countries, in accordance with international law.

Article 10 – Dispute Settlement

1. The provisions of this Agreement shall not prejudice the rights and obligations of existing and/or future agreements on cooperation between the Parties or between the Governments of any Member State of the Community and the Government of Korea.

2. All questions or disputes related to the interpretation or implementation of this Agreement shall be settled by consultation between the Parties.

Article 11 – Annexes

Annexes I (on terms and conditions for participation) and II (on intellectual property rights) constitute an integral part of this Agreement.

Article 12 – Entry into Force and Termination

1. This Agreement shall enter into force on the date on which the Parties exchange diplomatic notes informing each other of the completion of their respective internal procedures necessary for the entry into force of this Agreement.

2. This Agreement shall remain in force for five years and shall continue to be in force thereafter unless terminated by either Party.

3. At the end of the initial five-year period or at any time later, this Agreement may be terminated through written notice, at least six months in advance to the other Party.

4. Each Party may evaluate the impact and activities of this Agreement every five years. Each Party shall make every effort to facilitate the evaluation conducted by the other Party and the Party which conducts the evaluation shall inform the other Party of the evaluation results.

5. This Agreement may be amended with the mutual consent of the Parties through the exchange of diplomatic notes. Amendments shall enter into force following the same procedure as mentioned in paragraph 1, except as otherwise agreed by the Parties.

6. The termination of this Agreement shall be without prejudice to the cooperative activities undertaken under this Agreement and not fully executed at the time of the termination of this Agreement or to any specific rights and obligations that have accrued in compliance with the Annexes to this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by the European Community and the Government of the Republic of Korea respectively, have signed this Agreement.

DONE in duplicate at……., this …… day of …….. 2005, in the Korean, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Slovak, Slovenian, Spanish and Swedish languages, each text being equally authentic.

FOR THE EUROPEAN COMMUNITY:	FOR THE GOVERNMENT OF THE REUBLIC OF KOREA:

ANNEX I

Terms and conditions for the participation of legal entities established in the

European Community and Korea

Within the framework of this Agreement, in case one Party concludes a contract with a legal entity of the other Party for an indirect cooperative activity, the other Party, upon request, shall endeavour to provide any reasonable and feasible assistance as may be necessary or helpful to the former Party for smooth implementation of such contract.

1. TERMS AND CONDITIONS FOR THE PARTICIPATION OF LEGAL ENTITIES ESTABLISHED IN KOREA IN INDIRECT COOPERATIVE ACTIVITIES UNDER THE RESEARCH FRAMEWORK PROGRAMME OF THE COMMUNITY (HEARINAFTER REFERRED TO AS "THE FRAMEWORK PROGRAMME")

(a) Legal entities established in Korea may participate in indirect cooperative activities under the Framework Programme of the European Community for research, technological development and demonstration activities subject to the conditions and limitations laid down in the Regulation of the European Parliament and the Council concerning the rules for participation of undertakings, research centres and universities and for the dissemination of research results for the implementation of the framework programme of the European Community.

(b) Without prejudice to paragraph (a), the participation of legal entities established in Korea for indirect cooperative activities under the Framework Programmes shall be in accordance with the Rules.

2. TERMS AND CONDITIONS FOR THE PARTICIPATION OF LEGAL ENTITIES ESTABLISHED IN THE EUROPEAN COMMUNITY IN KOREA'S RESEARCH PROGRAMMES AND PROJECTS

(a) Legal entities established in the Community may participate in the research and development projects or programmes funded by the Korean Government.

(b) Legal entities established in the Community shall participate in Korea's research and development projects or programmes in accordance with the relevant laws and regulations of Korea and the relevant rules of participation in such projects or programmes.

ANNEX II

Principles concerning the allocation of intellectual property rights

1. DEFINITION

For the purpose of this Agreement, "intellectual property" shall have the meaning given in Article 2 of the Convention establishing the World Intellectual Property Organisation, done at Stockholm on 14 July 1967.

2. INTELLECTUAL PROPERTY RIGHTS OF THE PARTIES IN DIRECT COOPERATIVE ACTIVITIES

(a) Except if otherwise specifically agreed by the Parties, the following rules shall apply to intellectual property rights, except copyrights and related rights, generated by the Parties in the course of direct cooperative activities carried out under Article 3.1 of this Agreement:

1) The Party generating intellectual property shall have full ownership. In case the intellectual property has been jointly generated and the respective share of the work by the two Parties cannot be ascertained, the Parties shall have joint ownership of the intellectual property;

2) The Party owning the intellectual property shall grant the other Party the access rights to carry out any direct cooperative activities. Such access rights shall be granted on a royalty-free basis.

(b) Except if otherwise specifically agreed by the Parties, the following rules shall apply to copyrights and related rights of the Parties

1) When a Party publishes scientific and technical data, information or results by means of journals, articles, reports, books or in other forms, including video tapes and software, arising from and relating to cooperative activities under this Agreement, the Party shall make utmost efforts to obtain, for the other Party, non-exclusive, irrevocable, royalty-free licences in all countries where copyright protection is available, in order to translate, reproduce, adapt, transmit and publicly distribute such works;

2) All publicly distributed copies of a copyrighted work under the provisions of paragraph (b)-1) shall indicate the name(s) of the author(s) of the work unless the author(s) explicitly declines to be named. They shall also display a clearly visible acknowledgement of the cooperative support of the Parties.

(c) Except if otherwise specifically agreed by the Parties, the following rules shall apply to the undisclosed information of the Parties:

1) When communicating to the other Party on the information necessary to carry out direct cooperative activities, each Party shall identify the information which it wishes to remain undisclosed;

2) The Party receiving the information may, under its own responsibility, communicate undisclosed information to its agencies or persons employed through these agencies for the specific purposes of implementing this Agreement.

3) With the prior written consent of the Party providing the undisclosed information, the other Party may disseminate such undisclosed information more widely than otherwise permitted in paragraph (c)-2). The Parties shall cooperate with each other in developing procedures to request and obtain prior written consent for such wider dissemination, and each Party shall grant such approval to the extent permitted by its laws and regulations;

4) Information arising from seminars, meetings, assignments of staff and of the use of facilities arranged under this Agreement shall remain confidential when the recipient of such information is requested by its provider to protect its confidential or privileged character at the time such communication is made, according to paragraph (c)-1);

5) If one Party becomes aware that it will be, or may be reasonably expected to become, unable to meet the restrictions and conditions of dissemination of Article 2.(c), it shall immediately inform the other Party. The Parties shall thereafter consult to define an appropriate course of action.

3. INTELLECTUAL PROPERTY RIGHTS OF LEGAL ENTITIES OF THE PARTIES IN INDIRECT COOPERATIVE ACTIVITIES

(a) Each Party shall ensure that the intellectual property rights of legal entities of one Party, participating in the research and development programmes operated by the other Party, and the related rights and obligations arising from such participation, shall be consistent with the relevant laws and regulations and international conventions, including the Agreement on Trade-Related Aspects of Intellectual Property Rights, Annex 1C of the Marrakech Agreement Establishing the World Trade Organisation as well as the Paris Act of 24th July 1971 of the Berne Convention for the Protection of Literary and Artistic Works and the Stockholm Act of 14th July 1967 of the Paris Convention for the Protection of Industrial Property.

(b) Each Party shall ensure that, under its applicable laws and regulations, the legal entities of one Party, participating in the research and development programmes operated by the other Party, shall have the same rights and obligations with regard to intellectual property as possessed by the legal entities of the other Party, in the same indirect cooperative activity.

LEGISLATIVE FINANCIAL STATEMENT

1. NAME OF THE PROPOSAL

Draft Commission Decision on the approval and signature of the Scientific and Technological Cooperation Agreement between the European Community and the Republic of Korea.

2. ABM / ABB FRAMEWORK

Policy strategy and coordination of in particular the Directorates-General RTD, JRC, ENTR, INFSO, and TREN.

3. BUDGET LINES

3.1. Budget lines (operational lines and related technical and administrative assistance lines (ex- B.A lines)) including headings:

Costs in connection with the implementation of the Agreement (workshops, seminars, meetings), will be charged to the administrative budget lines for the specific programmes of the Framework Programme of the European Community (XX.01.05.03).

3.2. Duration of the action and of the financial impact:

From the date on which the Parties exchange diplomatic notes informing each other of the completion of their respective internal procedures necessary for the entry into force of the Agreement, for an initial duration of five years and will be tacitly renewed, as laid down in Article 12 of the Agreement.

3.3. Budgetary characteristics *(add rows if necessary)*:

Budget line	**Expenditure type**		**New**	**EFTA contribution**	**Contributions from applicant countries**	**Heading in financial perspective**
xx01.05.03	Non-comp	Non-diff[5]	NO	NO	YES	No 3

[5] Non-differentiated appropriations.

4. SUMMARY OF RESOURCES

4.1. Financial Resources

4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)

EUR million (to 3 decimal places)

Expenditure type	Section no.		2006	2007	2008	2009	2010	.	Total
Operational expenditure[6]									
Commitment Appropriations (CA)	8.1	a	0						0
Payment Appropriations (PA)		b	0						0
Administrative expenditure within reference amount[7]									
Technical & administrative assistance (NDA)	8.2.4	c	0.015	0.015	0.015	0.015	0.015		0.075
TOTAL REFERENCE AMOUNT									
Commitment Appropriations		**a+c**	0.015	0.015	0.015	0.015	0.015		0.075
Payment Appropriations		**b+c**	0.015	0.015	0.015	0.015	0.015		0.075
Administrative expenditure <u>not</u> included in reference amount[8]									
Human resources and associated expenditure (NDA)	8.2.5	d	0						0
Administrative costs, other than human resources and associated costs, not included in reference amount (NDA)	8.2.6	e	0						0

6 Expenditure that does not fall under Chapter xx 01 of the Title xx concerned.
7 Expenditure within Article xx 01 05 of Title xx.
8 Expenditure within Chapter xx 01 other than Articles xx 01 04 or xx 01 05.

Total indicative financial cost of intervention

TOTAL CA including cost of Human Resources		a+c +d+ e	0.015	0.015	0.015	0.015	0.015		0.075
TOTAL PA including cost of Human Resources		b+c +d+ e	0.015	0.015	0.015	0.015	0.015		0.075

Co-financing details

If the proposal involves co-financing by Member States, or other bodies (please specify which), an estimate of the level of this co-financing should be indicated in the table below (additional lines may be added if different bodies are foreseen for the provision of the co-financing):

EUR million (to 3 decimal places)

Co-financing body		Year	n + 1	n + 2	n + 3	n + 4	n+5 and later	Total
……	f							
TOTAL CA including co-financing	a+c+d +e+f							

4.1.2. Compatibility with Financial Programming

x Proposal is compatible with existing financial programming.

☐ Proposal will entail reprogramming of the relevant heading in the financial perspective.

☐ Proposal may require application of the provisions of the Interinstitutional Agreement[9] (i.e. flexibility instrument or revision of the financial perspective).

4.1.3. Financial impact on Revenue

x Proposal has no financial implications on revenue

☐ Proposal has financial impact – the effect on revenue is as follows:

Note: All details and observations relating to the method of calculating the effect on revenue should be shown in a separate annex.

[9] See points 19 and 24 of the Interinstitutional agreement.

EUR million (to one decimal place)

		Prior to action [Year n-1]	Situation following action					
Budget line	Revenue		2006	[n+1]	[n+2]	[n+3]	[n+4]	[n+5] [10]
603.1	*a) Revenue in absolute terms*	0						
	b) Change in revenue	*Δ*						

(Please specify each revenue budget line involved, adding the appropriate number of rows to the table if there is an effect on more than one budget line.)

4.2. Human Resources FTE (including officials, temporary and external staff) – see detail under point 8.2.1.

Annual requirements	2006					
Total number of human resources						

5. CHARACTERISTICS AND OBJECTIVES

Details of the context of the proposal are required in the Explanatory Memorandum. This section of the Legislative Financial Statement should include the following specific complementary information:

5.1. Need to be met in the short or long term:

This decision will allow both Parties to upgrade and intensify their cooperation in areas of common scientific and technological interest.

5.2. Value-added of Community involvement and coherence of the proposal with other financial instruments and possible synergy:

The Agreement is based on the principles of mutual benefit, reciprocal opportunities for access to each other's programmes and activities relevant for the purpose of the Agreement, non-discrimination, the effective protection of intellectual property and equitable sharing of intellectual property rights. The proposal is also in line with the administrative expenditure borne by the Community which provides for missions by EU experts and officials, and for workshops, seminars and meetings to be organised in the European Community and in Korea.

[10] Additional columns should be added if necessary i.e. if the duration of the action exceeds 6 years.

5.3. Objectives, expected results and related indicators of the proposal in the context of the ABM framework

This decision should allow both Korea and the European Community to derive mutual benefit from the scientific and technical progress achieved through their specific research programmes. It will allow an exchange of specific knowledge and a transfer of know-how to the benefit of the scientific Community, industry and citizens.

5.4. Method of Implementation (indicative)

Show below the method(s)[11] chosen for the implementation of the action.

X ***Centralised Management***

X Directly by the Commission

☐ Indirectly by delegation to:

☐ Executive Agencies

☐ Bodies set up by the Communities as referred to in Art. 185 of the Financial Regulation

☐ National public-sector bodies/bodies with public-service mission.

☐ ***Shared or decentralised management***

☐ With Member States

☐ With third countries

☐ ***Joint management with international organisations (please specify)***

Relevant comments:

6. MONITORING AND EVALUATION

6.1. Monitoring system

The Commission departments will regularly evaluate all the actions carried out under the cooperation agreement, which will also be subject to a joint regular evaluation by the Community and Korea. This evaluation will cover:

(a) Performance indicators

- number of missions and meetings;

- number of different fields of cooperation activities.

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[11] If more than one method is indicated please provide additional details in the "Relevant comments" section of this point.

(b) Gathering of information:

Based on information from the specific programmes of the Framework Programme and information provided by Korea to the Joint Committee provided for by the Agreement.

(c) Overall evaluation:

The Commission will evaluate the actions covered by this participation before the end of the initial five years of implementation.

6.2. Evaluation

The Commission will evaluate the actions covered by this cooperation agreement at the end of the initial five years of implementation.

6.3. Terms and frequency of future evaluation

The parties to the Agreement will evaluate the application thereof annually in the meetings of the Joint Research Committee referred to in Article 6 thereof. Renewal of this Agreement will be submitted for assessment by each of the Parties, which will include an impact study entrusted to independent experts.

7. ANTI-FRAUD MEASURES

When the implementation of the Framework Programme calls for the use of external contractors or entails granting financial contributions to third parties, the Commission will carry out financial audits, where appropriate, in particular if it has reason to doubt the realistic nature of work performed or described in the activity reports.

The Community's financial audits will be carried out either by its own staff or by accounting experts approved according to the law of the audited party. The Community will choose the latter freely, while avoiding any risks of conflicts of interest which might be indicated to it by the party subject to the audit.

In addition, the Commission will make sure, in carrying out the research activities, that the financial interests of the European Communities are protected by effective checks and, where irregularities are detected, by deterrent and proportionate measures and penalties.

In order to achieve this aim, rules on checks, measures and penalties, with reference to Regulations Nos 2988/95, 2185/96 and 1073/99, will be incorporated in all contracts used in the implementation of the Framework Programme.

In particular, the following points will have to be provided for in the contracts:

the introduction of specific contractual clauses to protect the financial interests of the EC in carrying out checks and controls in relation to the work performed;

the participation of administrative inspectors in the field of fraud-fighting, in accordance with Regulations Nos 2185/96 and 1073/99;

the application of administrative penalties for all intentional or negligent irregularities in the implementation of the contracts, in accordance with Framework Regulation No 2988/95, including a black-listing mechanism;

the fact that possible recovery orders in case of irregularities and fraud be enforceable according to Article 256 of the EC Treaty.

In addition and as routine measures, a control programme in respect of scientific and budgetary aspects will be carried out by the DG Research staff responsible. Local inspections will be carried out by the European Court of Auditors.

8. DETAILS OF RESOURCES

8.1. Objectives of the proposal in terms of their financial cost: NA

Commitment appropriations in EUR million (to 3 decimal places)

(Headings of Objectives, actions and outputs should be provided)	Type of output	Av. cost	Year n		Year n+1		Year n+2		Year n+3		Year n+4		Year n+5 and later		TOTAL	
			No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost
OPERATIONAL OBJECTIVE No.1[12]																
Action1…….																
Output 1																
Output 2																
Action 2…….																
Output 1																
Sub-total Objective 1																
OPERATIONAL OBJECTIVE No.2 [12]																
Action 1…….																
Output 1																
Sub-total Objective 2																
OPERATIONAL OBJECTIVE No. n[12]																
Sub-total Objective n																
TOTAL COST																

[12] As described under Section 5.3.

8.2. Administrative Expenditure

8.2.1. Number and type of human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources (**number of posts/FTEs**)					
		2006	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5
Officials or temporary staff[13] (XX 01 01)	A*/ AD	0					
	B*, C*/ AST						
Staff financed[14] by Art. XX 01 02		0					
Other staff financed[15] by Art. XX 01 04/05		0					
TOTAL		0					

8.2.2. Description of tasks deriving from the action

Management of the Agreement will entail missions and attending meetings by EU and Korean experts and officials.

8.2.3. Sources of human resources (statutory)

(When more than one source is stated, please indicate the number of posts originating from each of the sources)

X Posts currently allocated to the management of the programme to be replaced or extended

☐ Posts pre-allocated within the APS/PDB exercise for year n

☐ Posts to be requested in the next APS/PDB procedure

☐ Posts to be redeployed using existing resources within the managing service (internal redeployment)

☐ Posts required for year n although not foreseen in the APS/PDB exercise of the year in question

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13 Cost of which is NOT covered by the reference amount.
14 Cost of which is NOT covered by the reference amount.
15 Cost of which is included within the reference amount.

8.2.4. Other administrative expenditure included in reference amount
(XX 01 04/05 – Expenditure on administrative management)

EUR million (to 3 decimal places)

Budget line (number and heading)	2006	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later	TOTAL
1. Technical and administrative assistance (including related staff costs)							
Executive agencies[16]							
Other technical and administrative assistance	0.015	0.015	0.015	0.015	0.015		0.075
- *intra muros*							
- *extra muros*							
Total Technical and administrative assistance	0.015	0.015	0.015	0.015	0.015		0.075

8.2.5. Financial cost of human resources and associated costs <u>not</u> included in the reference amount

EUR million (to 3 decimal places)

Type of human resources	2006	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later
Officials and temporary staff (XX 01 01)						
Staff financed by Art XX 01 02 (auxiliary, END, contract staff, etc.) (specify budget line)						
Total cost of Human Resources and associated costs (NOT in reference amount)						

Calculation– ***Officials and Temporary agents***
Reference should be made to Point 8.2.1, if applicable

[16] Reference should be made to the specific legislative financial statement for the Executive Agency(ies) concerned.

Calculation– ***Staff financed under Art. XX 01 02NA***
Reference should be made to Point 8.2.1, if applicable

8.2.6. Other administrative expenditure <u>not</u> included in reference amount

EUR million (to 3 decimal places)

	2006	Year n+1	Year n+2	Year n+3	Year n+4	Year n+5 and later	TOTAL
XX 01 02 11 01 – Missions	0.010	0.010	0.010	0.010	0.010		0.050
XX 01 02 11 02 – Meetings & Conferences	0.005	0.005	0.005	0.005	0.005		0.025
XX 01 02 11 03 – Committees[17]							
XX 01 02 11 04 – Studies & consultations							
XX 01 02 11 05 - Information systems							
2. Total Other Management Expenditure (XX 01 02 11)							
3. Other expenditure of an administrative nature (specify including reference to budget line)							
Total Administrative expenditure, other than human resources and associated costs (NOT included in reference amount)	0.015	0.015	0.015	0.015	0.015		0.075

Calculation - ***Other administrative expenditure <u>not</u> included in reference amount***

[17] Specify the type of committee and the group to which it belongs.