

COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT

Participation of the European Union in the
Budapest International Exposition

COMMISSION COMMUNICATION TO THE COUNCIL AND PARLIAMENT

European Union participation in the Budapest International Exposition in 1996

From 11 May to 4 October 1996 Hungary is holding an International Exposition to mark the 1 100th anniversary of its foundation.

This will make it the first country in Central and Eastern Europe to organize a world event of this type since the restoration of democracy.

'Expo '96' is registered with the International Exhibitions Bureau (IEB) in Paris as a specialized international exhibition, in the same category as those in which the European Community participated in recent years, i.e. Brisbane, Australia (1988), Genoa, Italy (1992) and Taejon, South Korea (1993); the Seville fair (1992) was a universal exposition.

The theme will be "Communication for a better world", a key issue of our time.

This event enjoys the full political and financial support of the Hungarian Government.

1. BUDAPEST INTERNATIONAL EXPOSITION

1.1 Theme of the exposition

The organizers have selected "Communication for a better world" as the theme of the exposition. In this context a large space will be allocated for the considerable developments and diversification of communication, from printing and the telephone to computing and satellite technologies, including radio, cinema and television. The theme of the exposition will also cover publishing, the press and languages, mainly the translation and teaching aspects.

Attention will also focus on the use and content of vectors of communication; the human and cultural dimensions of dialogue and mutual understanding between individuals and nations will be underscored.

1.2 Site of the exposition

The exposition site covers 44 hectares and has the twofold advantage of being located in the city itself along the Danube (in an area to be redeveloped not far from the University, which will inherit the permanent installations from the exposition.)

The road network is to be extended and a new bridge is to be built over the Danube: the exposition will thus be integrated with the city and visitors will be offered two relatively close and complementary poles of attraction.

1.2 Participants and the public

Some 45 nations are expected to be represented at the exposition, those from the European Union being particularly keenly awaited. But this figure is likely to be well exceeded.

For the moment it is difficult to present anything like a complete picture of the countries which will be represented in Budapest, but many expressions of interest associated with Hungary's position in the recent upheavals in Europe suggest that the main actors on the world scene will be present.

Some 12 multinational firms will present pavilions on the theme of the exposition.

Some 15 million visitors are expected in the five months of the exposition, with a daily average of 100 000 visitors and some 150 000 at peak times.

2. BENEFITS OF EUROPEAN UNION PARTICIPATION IN THE BUDAPEST INTERNATIONAL EXPOSITION

2.1 Preliminary work by the Commission

By letter of 29 June 1993 to Mr Delors, Jozsef Antall, Prime Minister, conveyed the Hungarian Government's invitation to the Commission to participate in the Budapest International Exposition.

President Delors' response was favourable, but he stressed that the final decision could only be taken once the Council and the European Parliament had given their agreement, particularly as regards the budgetary aspect.

Subsequently, the Hungarian Commissioner-General for the exposition, Mrs Barsi-Pataky, briefed the Council Working Party on Fairs and Exhibitions on the main aspects of the event at a meeting on 1 December 1993. She also proposed alternative sites for participants from the European Union and its Member States. An option was taken out on a group of buildings located immediately to the right of the Hungary pavilion, which should prove to be one of the main attractions of the exposition.

2.2 Political and geographical context

The main reason for participating in this event can be summed up in the considerable expectations aroused by the European Union in Central and Eastern Europe even though countries there are critical of the Union.

More specifically, in view of the signature of Europe agreements with these countries linked to the prospect of future accession to the European Union, and the multiple efforts it deploys in this area, especially Hungary, it would be logical for the Union to play a significant role in the Budapest exposition, and the political fall-out should not be underestimated in the present circumstances.

In addition, 1996, the year of the exposition, will closely follow the enlargement of the European Union: an international exposition of world-wide scope taking place in Europe would provide a golden opportunity to celebrate the new accessions and will have all the more significance for Hungary given that Austria is very likely to have become a member of the Union by then.

On account of the historic relations between the two countries, Austria intends to make a special effort at the Budapest exposition, and has obtained authorization to build a special pavilion itself (whereas at this type of exposition it is usual for the organizers to put up the buildings which they make available to the participating countries and international organizations).

2.3 Theme of the exposition

In many respects, the theme "Communication for a better world" is close to the concerns of the European Union.

Essentially, information and telecommunications technology and audiovisual media may be regarded as priorities for the European Union. More specifically, the transition from analogue to digital television and development of the 16/9 format are outstanding examples of the Union's concerns in the field of communications.

In addition, the development of trans-European information, transport and energy networks, provided for in the Treaty on European Union, is one of the bases of the White Paper on growth, competitiveness and employment.

The theme of the exposition also touches on the Union's audiovisual and cultural policy.

2.4 Continuation and reinforcement of the cooperation and cohesion policy in the area of international and universal expositions

A clear distinction should be drawn between this area and the commercial fairs and exhibitions policy developed by the European Community on the initiative and with the assistance of the Commission. At large-scale world events attended by millions of visitors it seeks to demonstrate the cohesion and enhance the profile of the Community and the Member States.

On previous occasions these aims have been achieved by organizing the participation of the Member States and the Community as a group, the external decoration scheme being common to all the Community and national pavilions, and by developing cooperation on a regular basis during the exhibitions in question.

At the meeting of the Council Fairs and Exhibition Working Party on 1 December 1993 for the presentation of the event by the Hungarian organizers, the Member States once again approved this formula for the Budapest exposition.

The formula is based on the guideline adopted by the Council in April 1983 to the effect that at international expositions registered with the International Exhibitions Bureau, Member States which decide to participate should as far as possible do so in a Community framework.

This formula was applied and adapted to the different situations during the Community and Member States' participation in the international expositions of Knoxville (1982), New Orleans (1984), Tsukuba (1985), Vancouver (1986), Brisbane (1988), Genoa (1992), Taejon (1993) and the Seville universal exposition (1992).

Accordingly, it seems best to continue this approach while adapting it to future changes so that the European Union can continue to participate at such events in a consistent manner, not only in Budapest, but also at forthcoming events, such as the 1998 international exposition in Lisbon and the universal exposition in Hanover to mark the year 2000.

3. GUIDELINES ON THE PARTICIPATION OF THE EUROPEAN UNION

3.1 Grouping participation by the European Union and the Member States

As stated earlier, an option was taken out at the organizers' suggestion on three buildings covering an area of some 8 700m² to the right of the Hungarian pavilion. This has the advantage of making it possible, if required, to extend the Community grouping to occupy a fourth building adjoining the others, giving a usable area of 11 100m², depending on the Member States' final decisions regarding their participation and on those of the countries acceding to the Union by 1996.

It has the further advantage of giving the Union a prime location both politically (to the right of the organizing country, whose pavilion is traditionally in the best position, which in fact makes it the 'place of honour'), and in communication terms (one of the media highlights).

The exact number of Union members participating in the planned grouping is not yet known as most of them have not yet taken an official decision, but it would appear that a large majority intend to be present in Budapest.

In the first months of 1994, Germany and the Netherlands officially announced their intention of participating in the international exposition, while Belgium, France, Greece, Italy and the United Kingdom were basically in favour of doing so. The other Member States were also favourably disposed, except that Luxembourg has let it be known that it is not planning to participate. Although this reflects the trend at the time, in many cases there are significant budgetary obstacles.

3.2 Guidelines concerning the European Union pavilion

Given that this is an important event on the European and world scene, it is proposed that the European Union pavilion be set up on an area of some 648m². Of this space, 150m² is reserved for the office of the Commissioner-General and includes an area for receptions and meetings with the Member States and special events such as press conferences, receptions for distinguished visitors, etc.

In the context of the general theme of the exposition described above, the Union pavilion should highlight the fact that communication is the basis of European construction, both physically (closer technical links between the countries concerned) and politically (greater general familiarity with Europe and the European Union, and the main factors typifying Europe and its development).

Since the subject is vast, there must be a strict selection of subjects to achieve an exhibition that is striking and spectacular rather than exhaustive and didactic. On such occasions the aim is to grip the attention of a very broad public who want to be informed and entertained at the same time. The presentation must of course be backed up by a wide range of publications and data banks.

3.3 Information and communication programme

To exploit the full potential of Union participation, an information and communication programme must be set up to maximize the benefits of the investment in the actual pavilion, especially through regular contact with the media.

In this connection, the Union could participate generally in the cultural activities prepared for Expo '96, in particular the audiovisual events, such as the film festival organized to celebrate the centenary of the cinema.

3.4 Estimated budget

In view of the above guidelines concerning the Union pavilion as such, plus the organization and external decoration scheme for the Community grouping, provision should be made for an overall appropriation of ECU 1 250 000; the Commission should propose to the budgetary authority an entry of ECU 500 000 in 1995 and ECU 750 000 in 1996.

BUDAPEST INTERNATIONAL EXPOSITION 1996

Budget estimate

<u>I. PREPARATION</u>	<u>ECU</u>
Market research to select a firm to design the exhibition; payment of firms not selected; fees for the firm selected for the project and establishment of the specifications for the invitation to tender	50,000
 <u>II. SITE</u>	
•Surface area of 648m2 at US\$ 600 per m2 ..	338.500
 <u>III. COMMON EXTERNAL DECORATION SCHEME OF COMMUNITY GROUP</u>	
Design and completion of common decoration scheme	77.000
 <u>IV. INSIDE ARRANGEMENT, DECORATION AND COMPLETION OF EXHIBITION</u>	
- electrical equipment, plumbing, partitions, air conditioning	
- exhibition material, graphics	304.500
 <u>V. OPERATION (five months)</u>	
Local staff (assistant to pavilion director, secretaries, stewards and hostesses, messenger)	
Operating expenses (electricity, water, air conditioning, telephone, fax, postage, technical maintenance, office equipment service vehicle, cleaning, guards, insurance etc.)	480.000
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TOTAL	1.250.000

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Breakdown of ECU 1,250,000

	<u>1995</u>	<u>1996</u>
Preparation	50.000	-
Site	338.500	-
Common external decoration scheme	-	77.000
Interior decoration		193.000
Operation		480.000
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TOTAL	500.000	750.000
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FINANCIAL STATEMENT

B3-301 (part)

in mio ECU

Appropriations authorised in 1994		Appropriations requested in 1995		Percentage variation	
Commitments 1	Payments 2	Commitments 3	Payments 4	Commitments 5 = 3/1	Payments 6 = 4/2
-	-	0.500	0.500	-	-

1. **TITLE OF THE ACTION** **Participation of the Commission in the Budapest International Exhibition**

2. **LINE CONCERNED** **Part of line B3-301**

3. **LEGAL BASIS** **Autonomous Decision by the Commission**

4. **DESCRIPTION OF THE ACTION**
 - 4.1. **General objective of the action**
Hungary is organising an international exhibition, to be held in Budapest from 11 May to 5 October 1996, to commemorate the 1100th anniversary of its foundation.

The theme will be 'Communication for a better world'.

Considerable space will be devoted to the great development and diversification in communications technology, from the printed word and the telephone to computing and satellites, via radio, cinema and television. Publishing, the press and languages (translation and teaching) will also be covered.

Some 45 countries will be taking part in the exhibition. The European Union and Member States' stands will cover some 11,000 square metres.

 - 4.2. **The period covered by the action and the proposed arrangements for its renewal or extension**

One-off (11 May to 4 October 1996).

5. **CLASSIFICATION OF THE EXPENDITURE/RECEIPT**
 - 5.1. **Non-compulsory expenditure**
 - 5.2. **Differentiated appropriations**
 - 5.3. **Types of receipt concerned: N/A (non applicable)**

6. TYPE OF EXPENDITURE/RECEIPT

- 100% subsidy
- Subsidy for co-financing with other sources in the public and/or private sector
- Interest bonus: N/a
- Other: such as various study contracts, rental or fitting-out work, services rendered, supplies, etc.
- In the event that the action is an economic success, is the partial or total reimbursement of the Community's financial contribution planned? N/a
- Does the action planned require any modification to the level of receipts? If so, what type of modification and what sort of receipt is covered? N/a

7. FINANCIAL IMPACT

7.1. Method of calculation of the total cost of the action for 1995 (link between individual costs and total cost)

The estimate has been made on the basis of the costs notified by the Hungarian organisers of the exhibition and the costs previously incurred in connection with similar events, particularly the Genoa exhibition in 1992.

The total cost (1.250) will be split between 1995 (0.500) and 1996 (0.750).

7.2. Breakdown of the cost of the action by element

appropriations for commitment in mio ECU

Breakdown	1994 Budget	Preliminary draft budget 1995	Percentage variation
- Preparation and design	-	0.050	-
- Rental of site	-	0.3385	-
- Internal and external fitting-out of premises, technical and audio-visual installations (including dismantling: approx. 5% of the contract)	-	0.1115	-
TOTAL	-	0.50	-

(*) It is not a pavilion, but a stand

7.3. Operational expenditure on studies, experts' meetings, etc. included in Part B N/a

in ECU

Breakdown	Preliminary draft budget 1995	1996	Percentage variation
- Studies	50,000	-	- 100
- Experts' meetings	70,000	-	- 100
- Conference and publications	N/a	-	-
- Information and publications	N/a	-	-
TOTAL	120,000	-	- 100

7.3.1. Timescale in the event of proposed new action

- Amount deemed necessary: N/a
- Period of application: N/a

SCHEDULED TIMESCALE FOR PAYMENTS AS AGAINST COMMITMENTS

in ECU

COMMITMENTS (part of Article 83-301)		PAYMENTS				
		1995	1996	1997	1998	Subsequent years
1. Commitments entered into before 1995, to be settled using new payment appropriations		-			-	
2. Appropriations for commitment carried over from 1994	-	-				
3. 1995 appropriations	500,000	500,000				
4. 1996 appropriations	750,000	-	725,000	25,000		
TOTAL	1,250,000	500,000	725,000	25,000		

8. ANTI-FRAUD ARRANGEMENTS SCHEDULED (AND RESULTS OF THEIR IMPLEMENTATION)

The various contracts will include the usual clause relating to potential checks by the Court of Auditors and by Financial Control. Any payment will be subject to the production of the appropriate financial and accounting supporting material.

9. COST-EFFECTIVENESS ANALYSIS ELEMENTS

9.1. Specific and quantifiable objectives, population targeted

The political and geographical context

The European Union is generating considerable interest in the countries of Central and Eastern Europe, many of whom have signed co-operation agreements in connection with the prospect of a gradual strengthening of ties with the European Union.

The theme of the exhibition.

The technologies of computing, telecommunications and the audio-visual media are priorities for the European Union.

9.2. Justification for the action

The participation grouping of the European Union and the Member States is in line with the Commission's policy, one which is designed to ensure the cohesion and visibility of the Commission and its Member States wherever there are these world-scale events which draw millions of people.

9.3. Monitoring and evaluation of the action

Performance indicators selected

The main performance indicators will be the counting of the numbers of people attending the exhibition and random sample visitor surveys to assess the level of satisfaction.

9.4. Coherence with the financial programming

Is the action provided for under the DG's financial programming for the years concerned?

The action is based upon the direction embarked upon by the Council in April 1983, to the effect that Member States deciding to participate in international exhibitions registered by the International Exhibitions Bureau would do so within the framework of the Community.

10. ADMINISTRATIVE EXPENDITURE (PART A OF THE BUDGET)

The outlay corresponding to the presence of officials on site; mission expenses; entertainment allowances; miscellaneous costs.

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DOCUMENTS

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