



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 11.12.1998
COM(1998) 722 final

95/0116 (CNS)

Amended proposal for a

COUNCIL REGULATION (EC)

On implementation by the Commission of a programme of specific measures and actions to improve access of EU goods and cross-border services to Japan

(presented by the Commission pursuant to Article 189 a (2)
of the EC-Treaty)

EXPLANATORY MEMORANDUM

1. BACKGROUND

Reflecting the Council's conclusions of May 1995 on the need for a specific programme to improve access to the Japanese market for Community exporters, the Commission introduced a proposal for a Council Regulation (reference Com (95) 188 final) to establish a legal base for the Community's activities in this area (Budget Line B7-851). The Commission's proposal was discussed at the 113 Committee over a number of months until June 1996, but no agreement was reached.

The Judgement by the European Court of Justice in case C-106/98 has made it clear that all budget lines must have an appropriate legal base and that in the absence of one, new budgetary commitments must to all intents and purposes be suspended (with the exception of some limited categories of expenditure). This has meant that the use of outstanding appropriations on the Japan budget line for 1998 has been suspended. In addition the Japan budget line has been put on hold (Pour Mémoire) in the inter-institutional negotiations on the budget for 1999.

In order to safeguard the longstanding and valued programmes funded under the Japan budget line, notably the Executive Training Programme and the Gateway to Japan Campaign (see annex for details of those programmes), it is now extremely urgent that the Council adopts a regulation establishing an appropriate legal base to safeguard investments in existing programmes and to provide for their continuation in the future. With this end in mind, negotiations with Member States within the framework of the 113 Committee resumed in September 1998 on the basis of the 1995 proposal. In the course of these negotiations Member States have taken a generally favourable attitude towards maintaining the existence of the Japan programmes. However, it is also clear that the proposal of 1995 needs amending both in terms of substance and with regard to the legal base itself. This memorandum outlines the reasons for these changes which are reflected in the attached amended Commission proposal.

2. SUBSTANCE OF THE REGULATION

The main changes compared to the Commission's initial proposal of 1995 can be summarised as follows:

(i) Primary responsibility of Member States (Article 1)

It is generally accepted that activities aimed at supporting the efforts of Community exporters to build up a commercial presence in third country markets are the primary responsibility of Member States. In the specific case of Japan, however, the Council has endorsed a specific Community programme of such activities, recognising the particular difficulties of getting access to this important market. The need to give a legal base to these Community activities is the object of this regulation. Article 1 is intended to authorise the Member States for this type of operations, whilst stipulating that the Community programme must complement and add value to Member States' activities.

(ii) Content of Community programme (Article 2)

As described more fully in the annex, there are two principal Community programmes (ETP and Gateway to Japan campaign). The scope of these programmes is described precisely in Article 2. It should be noted that the purpose of those measures as a whole is to increase the commercial presence of Community enterprises on the Japanese market, through trade, investment and the exportation of product and services covered by intellectual property owned by Community firms.

Member States have also requested precisions in the type of activities that can be financed in the third volet, the so-called "ad-hoc" activities. These are now stipulated in detail. In general terms the amount of resources devoted to this third volet does not exceed 20% of the total budget

(iii) Limitation in time (Article 4)

The current Gateway campaign expires at the end of 2000 and Member States accept that it should be allowed to continue to at least that date. The question as to whether this and other programmes should be continued beyond this date cannot be decided now. It is proposed therefore that the Regulation be time-limited (to end 2001) to allow payments to be made in relation to programmes executed to the year 2000. The Commission will have to make a new proposal for action after this date.

With regard to comitology, the Commission has decided to maintain the advisory committee made in its earlier proposal. This is in line with the recently adopted Council Decision on Market Access, in which an advisory committee was established.

3. LEGAL BASIS

The legal basis of the act proposed by the Commission in May 1995 was Article 113 of the EC treaty. This would establish exclusive Community competence in a domain where Member States are the primary purveyors of the actions and measures described by the Regulation.

The Commission services have repeatedly made clear that the establishment of Community competence is a different matter from the exercise of that competence, which can be delegated to Member States under the case law of the Court¹. In addition, it is evident that by the very nature and scope of the amended draft Regulation – which lays down that Community activities shall be limited, complementary and additional to those of the Member States – that it is not the intent of the Commission to inhibit the possibility of the Member States continuing with their similar activities. Thus the amended draft regulation states explicitly that Member States should be primarily responsible for activities aimed at promoting exports of EU goods and cross-border services to Japan.

While the bulk of activities described in the amended draft regulation are clearly covered by article 113, there are nevertheless some activities which fall outside the scope of article 113. These include the promotion of investment and the protection and commercial exploitation of intellectual property rights owned by Community enterprises. For these reasons it is felt appropriate to widen the legal basis to include Article 235. The Parliament, which has always strongly supported Community programmes to Japan and which must be consulted under Article 235, can be expected to endorse the Commission's proposal.

4. CONCLUSIONS

European exporters continue to face difficulties in entering the Japanese market and the trend of the Japanese trade surplus with the EU, which is strongly increasing, makes it all the more necessary to continue to support European exporters in their efforts to build a commercial presence in the Japanese market.

Abruptly terminating our Japan programmes would be an unwise decision and would contradict the Council's conclusions on Japan of May 1995.

The Council is requested therefore to endorse the amended Commission proposal expeditiously in order to avoid a progressive wind down of existing programmes and

¹ The "Donckerwolcke" ruling of the ECJ (case 41/76), for example, makes clear in recital 32 that "as full responsibility in the matter of commercial policy was transferred to the Community by means of article 113, measures of commercial policy of a national character after the end of the transitional period are ...permissible ...by virtue of specific authorisation by the Community". The transfer of the exercise of competence back to Member States can be effected explicitly or implicitly by means of a specific act of the Council, Regulation as is the proposed Regulation in the current case. The legality of such an authorisation has been recognised by the Court of Justice (see Case 174/84 Bulk Oil para 31 and Case 83/94 Dual-Use para 12.)

their associated infrastructure. This scaling back will begin in mid-December unless progress towards establishing a solid legal base is made before this date.

ANNEX

THE SCOPE OF EXISTING ACTIVITIES WITH JAPAN

(i) The Executive Training Programme (ETP) in Japan

ETP is a unique management development programme for young business people from Europe who wish to acquire the necessary knowledge and skills to become executives capable of bridging the EU-Japan language, culture and business divide. The core structure of the programme has remained unchanged since 1979 and is still valid. Despite the current recession of the Japanese economy the 19th edition of the programme is oversubscribed with more than 100 candidates applying for up to 50 places.

Selected participants under ETP learn the Japanese language and acquire considerable knowledge and experience of Japanese culture and business practices. The aim of the programme is to enable EU companies to develop expertise specifically tailored for the Japanese market. The ETP programme has an overall duration of 18 months of which the first 12 months are devoted to intensive language courses while the last 6 months consist of job placements in Japanese companies. A parallel programme of weekly university seminars, industrial visits and home stays complements the language training and the on-the-job practice.

Since it began in 1979 more than 700 young executives have come to Japan under the scheme. The ETP programme has always received strong support from the Keidanren (Japanese Association of Employers). The programme is also highly valued by the European Business Community in Japan.

(ii) The Gateway to Japan Campaign

Gateway to Japan is an integrated export promotion campaign consisting in organising group participation of EU companies from selected sectors in trade missions to Japan and trade fairs in Japan. Since its inception in 1994 over 500 EU business have participated in the campaign's activities. Additional direct export sales to Japan of 72,5 million ECU have been recorded as well as induced investment in Europe exceeding 7 million ECU to date. The current campaign will run to the end of 2000, by which time over 1000 EU businesses will have been introduced to the Japanese market.

A key feature of the campaign is its "integrated" nature; the Commission's activities with Member States' own initiatives, with EU sectoral industry associations and with European Chambers of Commerce. In addition to this, a separate and equally important set of relationships is fostered in Japan involving MITI and JETRO, Member States' Commercial Counsellors and key Japanese industry organisations. Contractors in Europe and Japan manage the practical implementation of the programme in close liaison with the Commission and its Tokyo Delegation.

(iii) Ad-hoc activities

Under this third and final pillar of the Japan budget time the Commission provides support to and part-finances, on an ad-hoc basis, various activities in the realm of EU-Japan relations, such as:

- Studies of EU-Japan relations aimed at improving firms' awareness of the political and economic framework in which they evolve,
- General market studies and sectoral research,
- Short conferences and seminars on major aspects of EU-Japan trade and investment relations,
- Specific measures aimed at establishing direct contact between European and Japanese industrialists with a view to stimulating the development of trade and investment relations.
- Collect information on specific regulatory issues in the field of trade, investment and intellectual property rights
- To enhance the visibility of the European Union in Japan

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THE COUNCIL OF THE EUROPEAN UNION

Having regard to the Treaty establishing the European Community and in particular Article 113 and Article 235 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Parliament,

Whereas the Council's conclusions² to the Commission's Communication on Japan³ recognised the distinct and specific problems of market access in Japan; whereas, in the light of this, the Council considered that priority should be given to improving access to the Japanese market; whereas the Council has emphasised the need for complementarity between the actions of the Community and those of the Member States, notably in its conclusions on Market Access in 1996⁴;

Whereas it should be the primary responsibility of Member States to design and implement programmes of measures and actions to support the efforts of Community exporters to build up a commercial presence in foreign markets;

Whereas the implementation of appropriate measures and actions by Member States to improve access of EU goods and cross-border services to Japan should contribute to reducing the Community's trade imbalance with Japan;

Whereas in order to compete successfully in the Japanese market, Community enterprises should strive to establish permanent business relationships in Japan; whereas this requires them to confront the challenges posed by Japan's unique market requirements and local business practices and complex distribution structures and trade and investment regulations; whereas support by Member States and the Community can assist enterprises to overcome these difficulties in the early stages of their marketing and investment efforts;

Whereas only a consistent approach based on a mix of specific, coherent implementing measures and actions offer the prospect of improving operating conditions for European business in Japan; whereas this requires Member States, European industry and the Community to work together in close partnership;

¹ OJ C....

² Council Conclusions of 29 May 1995

³ COM (95) 73 Final of 8 March 1995

⁴ Council Conclusions on Market Access of 13 May and 10 June 1996

Whereas continuing efforts need to be made to build up a pool of European business expertise in Japan notably through the longstanding and valued Executive Training Programme, in order to prepare European companies to take advantage of new market openings and to ensure that they are not placed at a disadvantage compared to their foreign competitors;

Whereas activities aimed at introducing European firms, notably SMEs, to the Japanese market are traditionally carried out by Member States; whereas the specificity of the Japanese market led the Commission in co-ordination with Member States to set up the second "Gateway to Japan" campaign in 1997 to complement and back up the activities of Member States in this domain; whereas this campaign is at its mid-term point and its immediate discontinuation would lead to a loss of investment in the network responsible for executing the campaign; whereas in the current economic climate in Japan, the "Gateway to Japan" campaign should continue until its expiry at the end of 2000 in order to support the continuing efforts by Member States;

Whereas limited support may be given to other specific actions designed, inter alia, to facilitate the establishment of business links between Community enterprises, notably SMEs, and Japanese firms, to bring high level business missions to Japan to address specific market access issues, to collect information on specific regulatory issues in the field of trade, investment and intellectual property rights in the Japanese market affecting Community business interests, to establish conferences and seminars to promote EU-Japan trade and investment relations and to promote initiatives to enhance the visibility of the European Union in Japan;

Whereas the objectives and operating criteria of the programme of specific measures and actions in the area of goods and cross-border provision of services to be undertaken shall be defined by the Commission in close co-operation with representatives of the Member States,

Whereas the Treaty does not provide for powers other than those in Article 235 for part of the activities falling within the scope of this Regulation,

Whereas this regulation shall expire on December 31 2001,

HAS ADOPTED THIS REGULATION

Article 1

In co-operation with Member States, who are primarily responsible for the design and implementation of programmes and actions to promote the exports of Community goods and cross-border services in third country markets, the Community shall implement a specific, coherent and targeted programme of measures and actions that complement and bring added value to the efforts undertaken by Member States in the Japanese market.

Article 2

1. The Community programme shall consist of the following two principal measures and actions:

- A Training programme ("Executive Training Programme") to build up a pool of European executives able to communicate and operate in the Japanese business environment,

- The recruitment, training, pre-mission preparation and participation of groups of European business executives, notably from SMEs, to participate in actions in Japan aimed at improving their commercial presence on the Japanese market (the "Gateway to Japan" campaign). The objective of the campaign shall be:

- to enhance trade and investment relations with Japan;

- to increase the understanding of Japanese trade and investment regulations and business practices;

- to exploit the commercial potential of products and services covered by intellectual property owned by Community enterprises.

2. In addition to the above, limited support may be given to the following measures and actions, where appropriate:

- Actions to facilitate the development of business links between Community enterprises, notably SMEs, and Japanese firms,

- Collection of information and policy advice on specific regulatory issues, in the field of trade, investment and intellectual property rights in the Japanese market which may affect Community business interests,

- Conferences and seminars to promote EU-Japan trade and investment relations and initiatives to enhance the visibility of the European Union in Japan,

- High level business missions to address specific market access issues in Japan,

- Studies to evaluate the effectiveness of measures and actions undertaken within the framework of this Regulation.

3. In implementing the above paragraph, the Commission shall ensure the full compatibility of specific activities with the policies of the Community and the Member States.

Article 3

The Commission shall be assisted by a committee of an advisory nature composed of the representatives of the Member States and chaired by the representative of the Commission.

The representative of the Commission shall submit to the committee a draft of the measures to be taken. The Committee shall deliver its opinion on the draft within a time limit which the chairman may lay down according to the urgency of the matter, if necessary by taking a vote.

The opinion shall be recorded in the minutes, in addition, each Member State shall have the right to ask to have its position recorded in the minutes.

The Commission shall take the utmost account of the opinion delivered by the committee. It shall inform the committee of the manner in which its opinion has been taken into account.

Article 4

This regulation shall enter into force on the day following that of its publication in the Official Journal of the European Communities. It shall expire on December 31 2001.

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

FINANCIAL STATEMENT

1 TITLE OF OPERATION Proposal for a Council Regulation on implementation by the European Commission of a programme of specific measures and actions to improve access of EU goods and cross-border services to the Japanese market

2 BUDGET ITEM INVOLVED B7-8510

3 LEGAL BASIS

Articles 113 and 235 of the EC Treaty

4 DESCRIPTION OF OPERATION

4.1 General objective.

To improve access of EU goods and cross-border services to the Japanese market.

The "raison d'être" for this operation lies within the Commission's role and responsibilities in the area of trade relations between the EU and Japan. Currently these relations are dominated by a substantial Japanese trade surplus. This results partly from difficulties experienced by EU industry in penetrating the Japanese market and the Commission spends much effort in identifying problems and negotiating with the Japanese in order to try and break down barriers to market entry. However, the Japanese take a keen interest not only in what the EU desires as far as the Japanese market is concerned, but also in what practical measures are taken to support industry in penetrating the market. Such supportive action is viewed by the Japanese as a measure of the EU's sincerity and commitment to its desire for EU industry to break into the Japanese market and as evidence of a coherent EU approach to the problem(s) encountered. Moreover, the EU's efforts in this field are seen as being practically as well as politically necessary. Japanese demands for evidence of the EU's intent are paralleled by demands at both the political and the industrial level in Europe.

4.2 Period covered and arrangements for renewal.

To end 2001. Medium-term programmes are subject to annual contracts, renewable according to the availability of budgetary resources.

5 CLASSIFICATION OF EXPENDITURE OR REVENUE

5.1 Non-compulsory expenditure.

5.2 Differentiated appropriations.

5.3 Type of revenue involved.

Contribution from industry, notably for the Executive Training Programme

6 TYPE OF EXPENDITURE OR REVENUE

- *100% subsidy* **NO**
- *Subsidy for joint financing with other sources in the public and/or private sector.* **YES. Subsidies normally not exceeding 50% are provided to professional associations for actions aimed at improving access to the Japanese market.**
- *Interest subsidy.* **NO**
- *Other* **YES. Financing of own initiatives, such as the Executive Training Programme in Japan and the Gateway to Japan campaign, studies, market researchs, etc.**
- *Should the operation prove an economic success, is there provision for all or part of the Community contribution to be reimbursed?* **NO.** - *Will the proposed operation cause any change in the level of revenue? If so, what sort of change and what type of revenue is involved?* **NO**

7 FINANCIAL IMPACT

- 7.1 **Method of calculating total cost of operation (relation between individual and total costs).**
- a.- Measures aimed at improving knowledge of the Japanese market. The costs of the Executive Training Programme are calculated on the basis of 50 participants and consist of allowances for participants and costs for language tuition and other services provided by external contractors.
 - b.- Measures aimed at developing the presence of EU industry in Japan. The costs of the Gateway to Japan campaign are based on the result of a call

for tender for the management of the campaign. The budget for the campaign is considered to be the minimum required to sustain effective and meaningful campaign.

- c.- Measures aimed at improving trade relations between the EU and Japan.
We receive more requests for support than we are able to meet. The current budget is the minimum needed to give us the flexibility to respond to requests from several sources to enable us to support programmes in several Member States.

7.2 Itemised breakdown of cost.

The general budget of the European Union for 1999 allocates no specific amount of commitment appropriations for Article B7-851 of the Budget but rather a P.M. However, the Commission may decide to allocate or to propose the necessary appropriations in order to finance the actions targeted by the present proposal subject to the available budgetary resources within subsection B7 of the Budget.

Commitment appropriations ECU million (at current prices)

| Breakdown | 1999 |
|--|---------------|
| <i>Executive Training Programme</i> | 6,590 |
| <i>ETP 19 Allowances & insurance</i> | 3,146 |
| <i>ETP 19 Organisational costs</i> | 0,103 |
| <i>ETP 19 seminars in Japan</i> | 0,095 |
| <i>ETP 19 language tuition</i> | 0,751 |
| <i>ETP 19 sponsor seminar</i> | 0,036 |
| <i>ETP 20 selection</i> | 0,065 |
| <i>ETP 21 recruitment</i> | 1,729 |
| <i>ETP 21 publicity</i> | 0,542 |
| <i>ETP 20 pre departure seminar</i> | 0,080 |
| <i>ETP '99 reserve</i> | 0,043 |
| <i>EU Gateway to Japan.</i> | 2,410 |
| <i>-GTJ codicils</i> | 2,410 |
| <i>-GTJ Subsidies to Cies</i> | 0 |
| <i>Ad-hoc projects</i> | 2,000 |
| <i>Ad-hoc cat 2 conf, seminars</i> | 0,300 |
| Total | 11,000 |

7.3 Operational expenditure for studies, experts etc. included in Part B of the budget

Commitment appropriations ECU million (at current prices)

| | 1999 |
|--------------------------------|-------|
| - Studies | 0,150 |
| - Meetings of experts | |
| - Conferences and congresses | 0,150 |
| - Information and publications | |
| Total | 0,300 |

7.4 Schedule of commitment and payment appropriations.

ECU million

| | 1999 |
|---------------------------|--------|
| Commitment Appropriations | 11,000 |
| Payment Appropriations | |
| year n | 4,550 |
| n + 1 | 5,550 |
| n + 2 | 0,900 |
| n + 3 | |
| n + 4 | |
| n + 5 and subs. yrs | |
| Total | 11,000 |

8 FRAUD PREVENTION MEASURES

- *Specific control measures envisaged*

Control provisions (submission of reports, etc.) are included in all agreements or contracts between the Commission, contractors, beneficiaries of subsidies and the like. Close contact and constant monitoring of implementation with the beneficiaries responsible is maintained during the implementation of projects. The norm is that a representative of the Commission participates in commercial missions, seminars and conferences to ensure that activities are carried out in accordance with the terms of the signed agreement.

The activities carried out are carefully scrutinised by the Commission services before any payment is made. This control takes full account of contractual obligations and principles of economy and sound financial management. Certain agreements also require the submission of financial accounts certified by auditors appointed by the managing body of the professional association to which a subsidy has been granted.

9 ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1 Specific and quantified objectives; target population.

- *Specific objectives: links with general objective*
 - The Executive Training Programme aims at improving the knowledge of the Japanese language, culture and business environment providing EU managers with effective tools to penetrate the market.
 - The Gateway to Japan campaign aims to increase the presence of EU industry in Japan by supporting European SMEs in their first steps to introduce their products in Japan.
 - The ad-hoc projects scheme aims at improving the visibility of Europe in Japan by part-funding a series of ad-hoc measures including studies, seminars and conferences on Community policies, bringing together European and Japanese decision-makers.
- *Target population: distinguish for any individual objectives; indicate the end-beneficiaries of the Community's financial.*
 - ETP :Managers of European Companies**
 - Gateway to Japan: European SMEs**
 - Ad-hoc projects: Non profit organisations**

9.2 Grounds for the operation.

- *Need for Community financial aid, with particular regard for the principle of subsidiarity*

The EU targets industries having an important aggregate nature within the EU, but not necessarily within individual Member States, enabling significant economies of scale to be gained by organising activities at EU level and providing a "critical mass" in terms of raising awareness in Japan of what European industry has to offer. In addition, national efforts tend to concentrate rather more on consumer goods than on capital goods. Member States have explicitly welcomed and continuously supported the EU efforts in this field. Thus, the EU's activities both complement and add value to those of the Member States and these form the principal criteria used by the Commission in the selection both of sectors and of appropriate activities to perform in those sectors.

An excellent example of the integration of the Member States into Gateway to Japan has been the so-called "new mission concept". This involves MS national service providers in Japan undertaking market research and similar work for companies taking part in Gateway to Japan trade missions to Japan with Commission support. This initiative has been highly appreciated by both MS and the Commission and is continuing under Gateway to Japan 2.

The Executive Training Programme which has the objective of providing a group of managers with the skills necessary to give effective assistance to their organisations in penetrating the Japanese market, has at EU level the necessary critical mass and can be efficiently organised by the Commission. Indeed, this is unanimously acknowledged by Member States, the European Parliament and the European business community.

- *Performance indicators selected*

Executive Training Programme. Participants reports on the different aspects of the Programme, monitoring of professional activities of former ETP participants, analysis of results obtained by firms who have participated in the Programme, etc.

Gateway to Japan campaign Monitoring is carried out on an ongoing basis as the campaign has evolves, using questionnaires to participating companies and follow-up of those companies by national co-ordinators in each Member State at regular intervals after their participation. Monthly management information reports will be produced to allow the Commission to evaluate the campaign, its progress, performance levels, trends in recruitment and proposed activities. The daily operations of the campaign in Japan are regularly monitored by the Tokyo Delegation also. Furthermore at least one official from DG I attends all GTJ events

- *Details and frequency of planned evaluations*

Periodic evaluation of the ETP Programme is undertaken by independent external experts, normally consisting a full evaluation every three years. These reports analyze the individual components of the programme and make suggestions, where appropriate, in terms of its design and delivery. The levels of satisfaction of both participating companies and graduates of the programme are investigated and reported. Efforts are made to quantify the increases in the levels of business in Japan experienced by companies who have participated.

An ex-post evaluation of the first Gateway to Japan campaign will be undertaken by independent external evaluators during 1999. The results of this evaluation will be used to feed into the management and delivery of the second campaign. In addition, the second Campaign will be subject to a mid-term evaluation which will examine all aspects of the campaign design, organisation and delivery. This evaluation will also be carried out by independent external evaluators

With regard to ad hoc projects, these are evaluated individually once they have been completed. Any lessons of a general nature are incorporated into the general policy provisions governing the award of financial support under this heading

9.3 Monitoring and evaluation of the operation.

10 ADMINISTRATIVE EXPENDITURE (SECTION III, PART A OF THE BUDGET)

This section of the financial statement must be sent to DGs IX and XIX; DG IX will then forward it to DG XIX with its opinion.

Actual mobilization of the necessary administrative resources will depend on the Commission's annual decision on the allocation of resources, taking into account the number of staff and additional amounts authorized by the budgetary authority.

10.1 Effect on the number of posts.

| Type of post | | Staff to be assigned to managing the operation | | Source | | Duration |
|------------------------------|---|--|------------------------|--|----------------------|------------|
| | | <u>Permanent posts</u> | <u>Temporary posts</u> | Existing resources in the DG or department concerned | Additional resources | |
| Officials or temporary staff | A | 1 | | 1 | - | Indefinite |
| | B | 3 | | 3 | - | |
| | C | 1 | | 1 | - | |
| Other resources | | 1 END | | 1 END | - | Indefinite |
| Total | | 6 | | 6 | - | |

If additional resources are required, indicate the pace at which they will have to be made available.

10.2 Overall financial impact of additional human resources.

| ECU | | |
|---|---------|------------------------------|
| | Amounts | Method of calculation |
| Officials | 648,000 | 6 x 108,000 ECU ¹ |
| Temporary staff | | |
| Other resources (indicate budget heading) | | |
| Total | 648,000 | |

The amounts given must express the total cost of additional posts for the entire duration of the operation, if this duration is predetermined, or for 12 months if it is indefinite.

¹ By using existing resources required to manage the operation (calculation based on titles A1, A2, A4, A5 and A7).

10.3 Increase in other administrative expenditure as a result of the operation.

Expenditure relating to the MS's advisory committee.

2 per year x ECU 10,000 = ECU 20,000²

Missions expenses for on the spot monitoring the implementation of the different programmes (±12 missions to Japan a year, 1 week each approx).

12 missions x ECU 4,000 = ECU 48,000²

² By using existing resources required to manage the operation

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