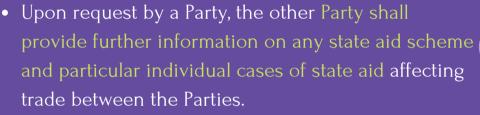


TRANSPARENCY STANDARDS IN THE AREA OF STATE AID



- Each Party shall ensure transparency in the area of state aid. Each Party shall notify <u>annually</u> to the other Party the total amount, types and the sectoral distribution of state aid.
- Notifications should contain information concerning the objective, form, the amount or budget, the granting authority and where possible the recipient of the aid.
- Any aid below EUR 200.000 per 1 undertaking over a period of 3 years does not need to be notified.
- Information should be available on a publicly accessible internet website, <u>by 31 December of the subsequent calendar year</u>.









Financial relations between public authorities and public undertakings must be transparent:

- public funds made available directly or indirectly (for example through the intermediary of public undertakings or financial institutions) by public authorities to the public undertakings;
- the use to which these public funds are put into.

The Parties shall ensure that the financial and organisational structure of any undertaking that enjoys a special or exclusive right granted by Ukraine or the Member States of the European Union OR is authorized to provide financial services, AND which receives compensation for providing public services, is correctly displayed in individual accounting accounts, so that the following emerge clearly:



- costs and revenues, of all goods or services, and costs and revenues related to each other individual product or service in respect of which the enterprise carries out activities;
- complete information on the methods according to which costs and revenues are allocated to different activities. These methods should be based on the principles of accounting conditionality, objectivity, transparency and consistency, in particular costing by type of activity, and should be based on audit data.