



ANNUAL REPORT 2007



South-East
Cohesion
Region

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OPENING STATEMENT OF THE ANNUAL REPORT 2007 OF THE REGIONAL COUNCIL OF THE SOUTH-EAST COHESION REGION



Miloš Vystrčil
Chairman of the Regional Council South-East and President of the Vysocina Region

Dear readers and those of you who care about EU funds and our regions,
More than any other document, the Annual Report of the Regional Council of the South-East Cohesion Region provides you with concrete information about how the Vysocina and South Moravian Regions have succeeded in opening an imaginary door to the European Structural Funds for the next seven to ten years and how well we do in submitting projects and promoting the prosperous development of these two regions that joined together to form an artificial unit with an artificial name, the NUTS II South-East or the South-East Cohesion Region, in order to comply with the requirements of EU policy.

I do not want to, nor am I going to hide anything or look through rose-coloured glasses. The artificial joining of the regions went through a difficult period of compromise and negotiating; a period that was both painful and interesting. We had to deal with numerous requirements of the European Commission and reach an agreement amongst ourselves. If we had not met those two conditions, we never would have achieved the approval of the Regional Operational Programme and we would not have received nearly CZK 18 billion to invest into the regions. Our first annual report proves that we have succeeded. We satisfied the European Commission representatives and we managed to reach an agreement. The Office of the Regional Council works. Applicants have already submitted the first projects and have received the first of billions in total funding. The programme is successful and the demand exceeds what is available.

Using European funds, we have started to build first roads, repair hospitals, improve tourism infrastructure and upgrade civic amenities in towns and municipalities.

Therefore, I believe that our first annual report must not forget to acknowledge those who made this success

possible. To conclude, I would like to thank everybody who was engaged in the preparation of the Regional Operational Programme South-East. I appreciate the excellent work of our partners in the region who participated in the preparation process and offered their expertise and experience. I would like to thank the members of the Regional Council Committee and the employees of the Office of the Regional Council for their work. And last but not least, I appreciate the determination and will of all the applicants who have coped with the application process and succeeded in implementing much needed projects.

I am happy to see that the commitment I undertook together with the other members of the Regional Council Committee in December 2007 by signing the Regional Operational Programme is being fulfilled. It has been both a pleasure and a challenge for us to help the South-East Cohesion Region achieve greater economic development and improve the quality of life for people in both regions.

OPENING STATEMENT OF THE ANNUAL REPORT 2007 OF THE REGIONAL COUNCIL OF THE SOUTH-EAST COHESION REGION



Stanislav Juránek,
President of the South Moravian Region and Member of the Committee of the Regional
Council South-East

Dear friends,

You are opening the 2007 Annual Report of the Regional Council of the South-East Cohesion Region that reviews the work of the South-East Cohesion Region and its Regional Council. I believe that the following pages will provide you with a lot of interesting information.

As a member of the Committee of the Regional Council of the South-East Cohesion Region, I would like to look back at the progress made in this area throughout 2007 in the South Moravian and Vysocina Regions. The most important moment happened towards the end of last year after numerous negotiations and the work of many people. In December 2007, the European Commission approved the Regional Operational Programme South-East, which was signed at a ceremony held on 11 December 2007.

That signature allows our cohesion region to draw approximately EUR 700 million, i.e. more than CZK 17 billion, for the two regions during the 2007–2013 programming period. These funds will be mostly used for investment projects in the area of transport infrastructure, tourism and urban and rural development.

The 2007–2013 programming period provides the Czech Republic with a great opportunity to tap into and utilise the generous help of the EU Structural Funds; nevertheless, we have to say that this opportunity is exceptional and most likely unique. Our position within the EU will dramatically change with the accession of new member states.

If our regions continue to offer a sufficient number of quality projects such as those seen to date, we will be able to use nearly CZK 2.5 billion every year. Based on the experience from the previous programming period, I am optimistic and believe that the South-East Cohesion Region will continue to successfully use the funds.



1 IDENTIFICATION

The Regional Operational Programme NUTS 2 South-East is implemented under the European economic and social cohesion policy within the Convergence objective. The ROP SE for the 2007–2013 programming period is one of seven regional operational programmes. The ROP SE is to be implemented only within the territory of the South-East Cohesion Region, which is made up by the South Moravian and Vysocina Regions.

Table 1: **Identification of the ROP SE**

	Objective Concerned	Convergence
OPERATIONAL PROGRAMME	Eligible area concerned	CZ06
	Programming period	2007–2013
	Programme number (CCI)	2007CZ161PO001
	Programme title	Regional Operational Programme NUTS 2 South-East
ANNUAL IMPLEMENTATION REPORT	Reporting year	2007
	Date of the approval of the annual report by the Monitoring Committee	2 June 2008

Source of data: ORC SE

The territorial demarcation of the ROP SE within the framework of the territorial statistical units NUTS 2 is shown in Figure 1.

Figure 1: **Cohesion Regions of the Czech Republic and Delimitation of NUTS 2 South-East (CZ 06)**



Source of data: ORC SE

The Regional Council of the South-East Cohesion Region is the Managing Authority of the Regional Operational Programme of the South-East Cohesion Region. The bodies of the Regional Council include the Regional Council Committee, the Chairman of the Regional Council and the Office of the Regional Council. The Office of the Regional Council is the executive body of the South-East Cohesion Region.

Table 2: **The Chairman of the Regional Council of the South-East Cohesion Region**

<p>The Chairman of the Regional Council of the South-East Cohesion Region</p>	<p>The President of the Vysocina Region Mr Miloš Vystrčil</p>
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Source of data: ORC SE's Intranet

Table 3: **The Members of the Regional Council Committee of the South-East Cohesion Region**

Region	Number of Members
The South Moravian Region	8
The Vysočina Region	8

Source of data: ORC SE's Intranet

Table 4: **The Office of the Regional Council of the South-East Cohesion Region**

Director	Ms Marta Sargánková
The Head of the Programme Management Section	Mr Artur Zatloukal
The Head of the Project Implementation Department Jihlava	Ms Erika Šteflová
The Head of the Project Implementation Department Brno	Mr Jan Karásek

Source of data: ORC SE's Intranet

Table 5: **The List of Institutions – Members of the Monitoring Committee of the ROP SE**

Name	Relation to ROP	Number of Members
The Office of the Regional Council of the South-East Cohesion Region	Managing Authority	1
The Regional Authority of the South Moravian Region	Region – institution	2
The Regional Authority of the Vysočina Region	Region – institution	2
The South Moravian Region	Region – political representation	2
The Vysočina Region	Region – political representation	2
The Brno University of Technology	Academic sphere	1
Masaryk University Brno	Academic sphere	1

Name	Relation to ROP	Number of Members
College of Polytechnics Jihlava	Academic sphere	1
The Association of Municipalities of the Vysocina Region	Municipalities	2
The Association of Municipalities of South Moravia	Municipalities	2
The Regional Chamber of Commerce of South Moravia	Business sphere	1
The Regional Chamber of Commerce of the Vysocina Region	Business sphere	1
The Czech Confederation of Commerce and Tourism	Business sphere	1
The NNO Coordination Group of the Vysocina Region	Non-profit organisation	1
The Association of Non-governmental Non-profit Organisations SRM-ANNO	Non-profit organisation	1
The Ministry for Regional Development of the Czech Republic	Partnership ministry	1
The Ministry of Finance of the Czech Republic	Partnership ministry	1
The Ministry of Transport	Partnership ministry	1
The Ministry of Finance, Audit Department – The Central Harmonisation Unit	Partnership ministry	1 ¹
The European Commission – DG Regio	European Commission	1 ¹

Source of data: ORC SE's Intranet

The content of the ROP SE is formulated mainly with respect to both European and national strategic documents. The programme is managed and implemented directly at the regional level and while complementing nation-wide thematic operational programmes, it helps to identify and satisfy the needs of the South-East Cohesion Region. Specific support is directed to the following priority axes: Transport Accessibility, Development of Sustainable Tourism, Sustainable Development of Towns and Rural Areas and Technical Assistance.

¹ Members of the MC of the ROP SE without the right to vote.

Figure 2: **ROP SE in the Hierarchy of Strategies**



Source of data: MRD, NSRF CR 2007-2013, July 2007 [adapted, 22 March 2008]. Available at: http://www.strukturalni-fondy.cz/uploads/documents/NOK/NSRR_final_1.pdf

In order to accomplish the targets, an amount up to EUR 704.45 million was allocated through the ROP SE for the 2007–2013 period and another EUR 124.31 million from national resources. An important moment in the history of the programme was the adoption (on 3 December 2007) and signing of a contract between the Regional Council of the South-East Cohesion Region and the European Commission on 11 December 2007.²

The most frequent and anticipated beneficiaries of the subsidies include regions, municipalities, unions of municipalities and micro-regions, entrepreneurs, non-governmental non-profit organisations, individuals and organisations established by municipalities and regions.

² Milestones of the ROP SE in 2007 are in the annex No 1



2 OVERVIEW OF THE IMPLEMENTATION OF THE OPERATIONAL PROGRAMME

2.1 ACHIEVEMENT AND ANALYSIS OF THE PROGRESS

2.1.A Information on the Physical Progress of the Operational Programme

In 2007, there were two crucial events in fulfilling the operational programme. First was the approval of the ROP SE by the European Commission in December and second was the announcement of two calls for applications for funding from the ROP SE. The first call, announced on 17 September 2007, was continual and concerned projects in Priority Axis 1 – Transport Accessibility, area of support 1.1 – Transport infrastructure development in the Cohesion Region and in Priority Axis 4 – Technical Assistance, areas of support 4.1 Activities connected with the implementation and management of the ROP and 4.2 Support to absorption capacity. In 2007, 14 projects were registered in the two calls. Nine of them concerned area of support 1.1 and the remaining five were related to Priority Axis 4 – Technical Assistance.

After the approval of the programme, new rounds of calls (with specific deadlines) were prepared and subsequently launched on 17 December 2007. The implementation of the ROP SE started in all of the following Priority Axes, in the following manner:

- 1.2 Transport services and public transport development
- 1.4 Unpowered transport infrastructure development
- 2.1 Development of infrastructure for tourism
- 2.2 Development of services in tourism
- 3.2 Development of regional centres
- 3.3 Development and stabilisation of rural areas
- 3.4 Public services of regional significance

The deadline for submitting applications in all rounds of applications was set for 29 February 2008 with the exception of areas of support 3.2 and 3.3, where the period for submission expired on 31 March 2008. The physical progress in these cases will be evaluated within the analysis for 2008.

However, we already know the results of the continual ROP SE call as of 31 December 2007. They are summarised in the table entitled “Overview of Projects Registered in 2007” according to the phase of administration in which they currently find themselves.

Table 6: **Overview of Projects Registered in 2007 – Phase of Administration**

Project Registration Number	Applicant	Project Name	Progress in 2007
Calls for area of support 1.1 – Transport infrastructure development in the cohesion region			
CZ.1.11/1.1.00/01.00001	South Moravian Road Maintenance Authority, organisation financed by the region	Road II/408 Suchohrdly u Znojma–Dyjákovice	registered ³
CZ.1.11/1.1.00/01.00002	South Moravian Road Maintenance Authority, organisation financed by the region	The town of Ivančice - improvement in transport accessibility	recommended for funding ⁴
CZ.1.11/1.1.00/01.00003	South Moravian Road Maintenance Authority, organisation financed by the region	Road II/422 Lednice, relaying of the road	recommended for funding
CZ.1.11/1.1.00/01.00004	South Moravian Road Maintenance Authority, organisation financed by the region	Újezd u Brna, bridge 418-005	recommended for funding
CZ.1.11/1.1.00/01.00010	Vysocina Region	II/602 frontier of the region– Pelhřimov, 2 nd phase of construction	registered
CZ.1.11/1.1.00/01.00011	Vysocina Region	II/353 Bohdalov – bypass	registered
CZ.1.11/1.1.00/01.00012	Vysocina Region	II/602 frontier of the region– Pelhřimov, 1 st phase of construction	registered
CZ.1.11/1.1.00/01.00013	Vysocina Region	II/360 Oslavička – bypass, 2 nd phase of construction	registered
CZ.1.11/1.1.00/01.00014	Vysocina Region	II/405 Brtnice–Zašovice	registered
Calls for Priority Axis 4 – Technical Assistance			
CZ.1.11/4.1.00/01.00005	Regional Council of the South-East Cohesion Region	Support of management of the ROP SE	decision made ⁵
CZ.1.11/4.2.00/01.00006	Regional Council of the South-East Cohesion Region	Technical Assistance in the ROP SE – Promotion and absorption capacity	decision made

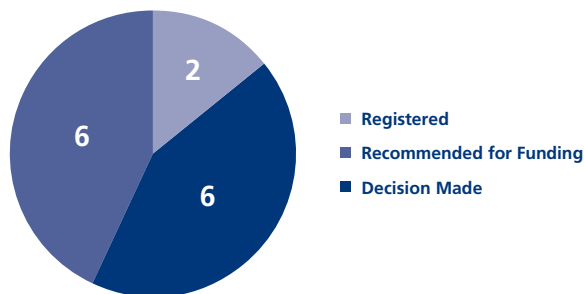
Project Registration Number	Applicant	Project Name	Progress in 2007
CZ.1.11/4.1.00/01.00007	Regional Council of the South-East Cohesion Region	Management and implementation of the ROP SE 2008	recommended for funding
CZ.1.11/4.1.00/01.00008	Regional Council of the South-East Cohesion Region	Monitoring and evaluation in 2008	recommended for funding
CZ.1.11/4.2.00/01.00009	Regional Council of the South-East Cohesion Region	Promotion, educational and absorption capacity	recommended for funding

Source of data: The MONIT7 information system + ROP SE

In area of support 1.1, only regions and organisations established by them are eligible for support. Five of the projects in this area of support were submitted by the Vysocina Region and four by the South Moravian Road Maintenance Authority.

In Priority Axis 4, regions and the Regional Council are eligible for support. All five projects registered in this Priority Axis were submitted by the Regional Council of the South-East Cohesion Region.

Graph 1: **Overview of Projects Registered in 2007**



Source of data: MONIT7+ ROP SE

³ "Registered" means that the applicant submitted the project to the Managing Authority but the project has not yet been examined.

⁴ "Recommended for funding" means that the project has been examined from the formal viewpoint, its legitimacy has been verified, it obtained at least the minimum number of points in the evaluation of its content and it was approved by the Regional Council Committee.

⁵ "Decision made" means that the Regional Council Committee issued its decision about funding and its conditions.

The following important events, which were indispensable for the transfer of funds and the implementation of the regional policy, took place in 2007 and contributed to the progress of the ROP:

- The ROP SE, a fundamental programming document, was drafted, discussed and approved, and so were all other documents essential and necessary for its implementation.
- The absorption capacity of the South-East Cohesion Region was enhanced and improved so that a sufficient number of beneficial projects could be approved as soon as possible.⁶
- Over the course of 2007, all bodies of the Regional Council South-East were consolidated and their full operability was secured, which included material and technical facilities, first-rate staffing and a plan for improving the staff's qualifications.
- A basic plan for building a team of experts was written, whose special knowledge will be useful in evaluating the technical aspects of the projects.

For the sake of collecting data and evaluating the progress of the programme as a whole, some indicators observed in the monitoring system were introduced to the ROP SE. The tables entitled "Context Indicators", "Indicators of the Global Objective" and "Indicators of Horizontal Themes" (sustainable development and equal opportunities) below depict target values of the ROP SE for 2015, the baseline of 2005, the year the data were first collected and a basis for comparison⁷, and values that could not be reached because the ROP SE was only approved in December of 2007.

⁶ *Specific measures taken are mentioned in chapter 7.*

⁷ *For non-zero data, values as of 2005 are chosen as a basis.*

Table 7: Context Indicators

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
552000 Context	Regional GDP per capita (PPS)	Conversion of the GDP per capita using the PPS (Purchasing Power Standards, an EU unit based on purchasing power parity and used for comparisons of volumes)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	15 525		
552001 Context	Regional GDP per capita, CR = 100	GDP per capita, CR = 100	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	89.7		
552002 Context	Regional GDP per capita, EU 25 = 100	GDP per capita, EU 25 = 100	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	66.1		
552101 Context	Net disposable household income per capita, CR = 100	Net disposable household income per capita, CR = 100	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	96.6		
520800 Context	General rate of unemployment	Rate of unemployment established in the Survey of labour (%) NUTS 2 South-East	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	7.7		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520801 Context	General rate of unemployment – males	Rate of unemployment established in the Survey of labour (%) NUTS 2 South-East	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	6.4		
520802 Context	General rate of unemployment – females	Rate of unemployment established in the Survey of labour (%) NUTS 2 South-East	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	9.3		
521000 Context	Average monthly wage (CZK)	Average gross monthly nominal wage per employee (CZK)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	Vysocina Region 18 715 South Moravian Region 20 272		
520505 Context	Rate of employment 15-64	Share of employed persons older than 15 years in the number of inhabitants older than 15 years (%)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	64.8		
520505 Context	Employment by sectors a) primary b) secondary c) tertiary	Share of employed persons older than 15 years (%)	The Ministry of Labour and Social Affairs	Achieved	0		
				Planned	–		
				Starting	a) 6.1 b) 40.6 c) 53.3		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
5212012 Context	Life expectancy at birth a) males b) females	In years (average value based on data for several years)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	a) 72.5 b) 79.2 (2002)		
531300 Context	Share of inhabitants with a high school and college education	Share of inhabitants older than 15 years who graduated from a high school or an institute of higher education	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	31.2		
531301 Context	Percentage of inhabitants with a college education	Percentage of inhabitants older than 15 years who have a college education	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	11.2		
630503 Context	Average length of stay	The number of nights per person	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	2.4		
631501 Context	Foreign visitors – number of nights	The number of visitors (thousands)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	427		
631502 Context	Foreign visitors – number of nights	The number of visitors (thousands)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	874		
630502 Context	Visitors to the region – number of nights	The number of visitors (thousands)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	3 482		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
630501 Context	Visitors to the region – number of arrivals	The total number of arrivals of foreign as well as domestic guests per year (thousands)	Czech Statistical Office	Achieved	0		
				Planned	–		
				Starting	1 445		

Source of data: MONIT7+ ORC SE

Table 8: Indicators of the Global Objective

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
552000 Context	Regional GDP per capita (PPS)	Conversion of the GDP per capita using the PPS (Purchasing Power Standards, an EU unit based on purchasing power parity and used for comparisons of volumes)	Czech Statistical Office	Achieved	0		
				Planned	–	SE Region: 15 924 VYS:15 039 SMR:16 332	
				Starting	SE Region: 15 525 VYS: 14 582 SMR: 15 951		
521000 Context	Average monthly wage (CZK)	Average gross monthly wage per employee (CZK)	Czech Statistical Office	Achieved	0		
				Planned	–	VYS: 22 458 SMR: 24 326	
				Starting	VYS: 18 715 SMR: 20 272		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520513 Context	Employment by sector: tertiary	The number of employed persons older than 15 years who work in the tertiary sector	The Ministry of Labour and Social Affairs	Achieved	0		
				Planned	–	SE region: 58.63 VYS: 49.17 SMR: 63.03	
				Starting	SE region: 53.3 VYS: 44.7 SMR: 57.3		

Source of data MONIT7+ Bureau of Regional Council South-East

Table 9: Indicators of Horizontal Themes – Sustainable Development

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
653107 HT	Noise reduction	Percentage of inhabitants living in areas where noise limits are exceeded (+55 dB) according to noise maps	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	21.5		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
653103 HT	The emission of tropospheric ozone precursors	The total annual emission of tropospheric ozone VOC, NO _x , PCO and CH ₄ – kilotonnes	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	86		
653104 HT	Decrease in the emission of primary particles and secondary particulate precursors	The total annual emissions of primary particles PM10 and emission NO _x , SO ₂ , NH ₃ – kilotonnes (potential of particle creation)	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	34.8		
651120 HT	The area of newly established or rejuvenated green spaces	Area (sqm)	Managing Authority	Achieved	0		
				Planned	–	200 000	
				Starting	0		
652000 HT	The total area of revitalised, unused and dilapidated sites (brownfields)	Area (sqm)	Managing Authority	Achieved	0		
				Planned	–	66 000	
				Starting	0		

Source of data: MONIT7+ Office of the Regional Council South-East

Table 10: **Horizontal Themes Indicators – Equal Opportunities**

Code NCI/ EU/Lisbon Code Type of Indi- cator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520100 Core 01 HT	The total number of new jobs	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours)	Managing Authority	Achieved	0		
				Planned	–	219	
				Starting	0		
520101 Core 02 HT	for males	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours)	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		
520102 Core 03 HT	for females	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours)	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		

Source of data: MONIT7+ Office of the Regional Council South-East

2.1.B Financial Information

In 2007, the anticipated disbursement of funds for projects submitted in the ROP SE was programmed. They are total amounts – by Priority Axes – that are earmarked for projects that were selected for funding. The objective of the ROP SE is to finance projects with a strong potential for optimal contribution towards accomplishing the programme objectives.

Table 11: **Financial Plan of the ROP SE (CZK)**

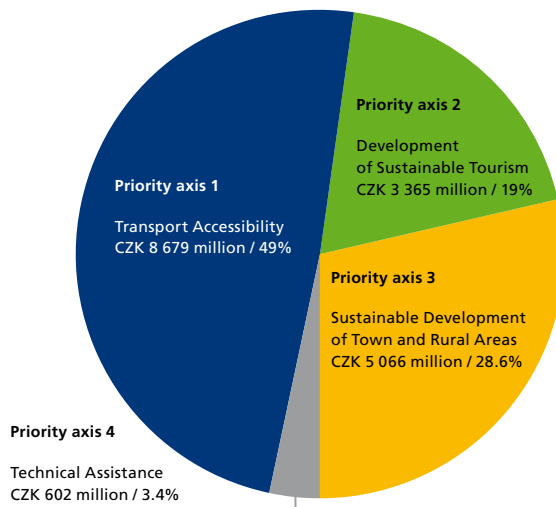
Priority	Fund	Share of Allocation	EU	Total Resources
Transport Accessibility	ERDF	49%	9 188 647 996	10 810 174 124
Development of Sustainable Tourism	ERDF	19%	3 562 945 169	4 191 700 172
Sustainable Development of Towns and Rural Areas	ERDF	28.6%	5 363 169 999	6 309 611 782
Technical Assistance	ERDF	3.4%	637 579 666	750 093 728
Total		100%	18 752 342 830	22 061 579 807

Source of data: The ROP SE Intranet, exchange rate: 1 EUR = 26.620 CZK

Total certified expenses in all priority axes equal zero.

The distribution of the allocation is shown in the following graph:

Graph 2: **Structure of Allocations of the ROP SE**



Since the date of the ROP SE's approval (3 December 2007) and the dates of calls (17 September 2007 and 17 December 2007), no projects have received any certified resources from the ERDF through the state budget.

Table 12: **Priority Axes by Sources of Funding (EUR)**

	Expenditure Paid out by the Beneficiaries included in Payment Claims sent to the Managing Authority	Corresponding Public Contribution	Expenses Paid by the Body Responsible for Making Payments to the Beneficiaries	Total Payments Received from the Commission
Priority Axis 1 ERDF out of which ERDF type expenditure	0	0	0	6 903 567.23
Priority Axis 2 ERDF out of which ERDF type expenditure	0	0	0	2 676 893.42
Priority Axis 3 ERDF out of which ERDF type expenditure	0	0	0	4 029 429.04
Priority Axis 4 ERDF out of which ERDF type expenditure	0	0	0	479 023.03
Grand total	0	0	0	14 088 912.72
Total in non-transitional regions in the grand total	0	0	0	14 088 912.72
ESF type expenditure where the programme is co-financed by the ERDF	0	0	0	0

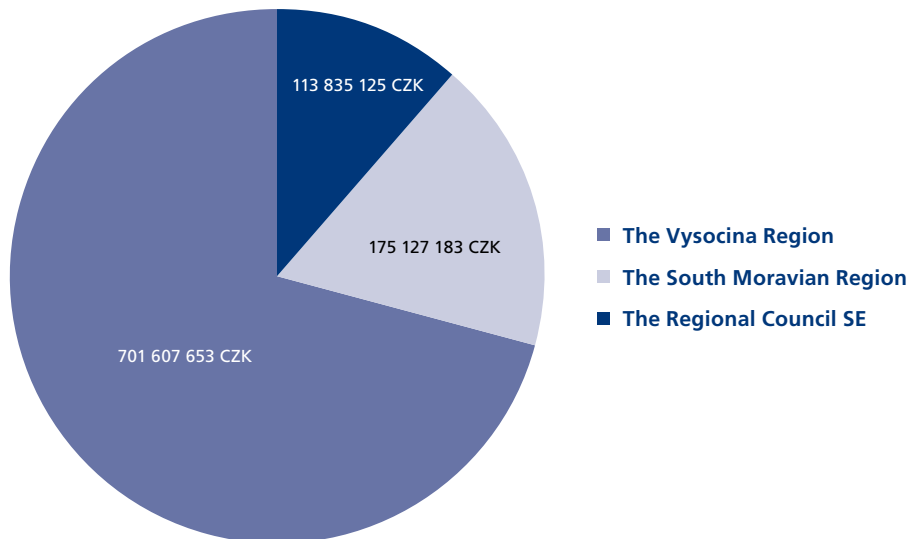
Source of data: The MONIT7+ information system ROP SE

In 2007, applicants submitted 14 projects with anticipated total eligible expenses of roughly CZK 1 070 000 000 to the ROP SE.

About CZK 950 000 000 are for projects focusing on the development of transport infrastructure. From this total amount, shares of the South Moravian and Vysocina regions are CZK 190 000 000 and CZK 760 000 000, respectively.

The total anticipated funding for projects submitted in 2007 was roughly CZK 990 000 000, with expected claims for projects related to the development of transport infrastructure amounting to almost CZK 880 000 000.

Graph 3: **Total Anticipated Funding – by Applicants (2007)**



Source of data: The MONIT7+ information system ROP SE

In 2007, the Paying and Certifying Authority received an advance payment of EUR 14 088 912.72 for the ROP SE. The second advance payment (EUR 21 133 369.08) was sent at the beginning of 2008.

2.1.C Break-down of Use of the Funds

Commission reference number: 2007CZ161PO001

OP name: Regional Operational Programme NUTS 2 South-East

The last decision of the Commission related to the ROP SE: 3 December 2007

Since the date of the ROP SE's approval (3 December 2007) and the dates of calls (17 September 2007 and 17 December 2007), no projects have received any certified resources from the ERDF through the state budget.

Table 13: **Breakdown of Use of the Funds**

Area 1	Area 2	Area 3	Area 4	Area 5	Total
Priority Area	Form of Funding	Type of Area	Economic Activity	Geographical Location	Amount in EUR and (CZK)
11	1	1/5	*	CZ06	3 498 641 (93 133 823)
18	1	1/5	*	CZ06	11 113 215 (295 833 783)
23	1	1/5	*	CZ06	248 218 685 (6 607 581 395)
24	1	1/5	*	CZ06	17 065 196 (454 275 518)
25	1	1/5	*	CZ06	37 306 427 (993 097 087)
28	1	1/5	*	CZ06	870 976 (23 185 381)
29	1	1/5	*	CZ06	7 142 858 (190 142 880)
52	1	1/5	*	CZ06	23 461 006 (624 531 980)
55	1	1/5	*	CZ06	6 859 539 (182 600 928)
56	1	1/5	*	CZ06	5 420 709 (144 299 274)
57	1	1/5	*	CZ06	93 323 196 (2 484 263 478)
58	1	1/5	*	CZ06	16 864 428 (448 931 073)
59	1	1/5	*	CZ06	26 783 261 (712 970 408)
60	1	1/5	*	CZ06	2 275 359 (60 570 057)
61	1	1/5	*	CZ06	81 511 404 (2 169 833 574)
75	1	1/5	*	CZ06	28 475 691 (758 022 894)
76	1	1/5	*	CZ06	29 431 682 (783 471 375)
77	1	1/5	*	CZ06	22 677 295 (603 669 593)

Area 1	Area 2	Area 3	Area 4	Area 5	Total
79	1	1/5	*	CZ06	18 194 916 (484 348 664)
81	1	1/5	*	CZ06	8 622 415 (229 528 687)
85	1	1/5	*	CZ06	7 903 880 (210 401 286)
86	1	1/5	*	CZ06	7 424 857 (197 649 693)
Total					704 445 636 (18 752 342 830)

Source of data: ROP SE, MSC2007, MONIT7+, 1 EUR = 26.620 CZK

Total certified expenses in all priority axes equal zero.

* Activities in areas 41, 42, 43, 49, 51, 55, 56, 61, 62, 63, 85, 86, 87, 91 are anticipated (according to the new Classification of Economic Activities (CZ-NACE 2); the exact combination of codes is yet to be determined). As far as area codes are concerned, the amounts can be divided between towns (code 01) and rural areas (code 05): EUR 367 082 010 and EUR 337 363 626, respectively. The approved National Strategic Reference Framework defines towns as settlements with more than 2 000 inhabitants. Settlements with fewer than 2 000 inhabitants are considered rural.

2.1.D Assistance by Target Groups

According to the Strategy of Regional Development of the Czech Republic for 2007-2013, there are economically weak regions in NUTS 2 South-East. They consist of the Hodonín, Znojmo and Třebíč districts. The following municipalities with extended competences have an above-average rate of unemployment: Bystřice nad Pernštejnem, Bučovice and Mikulov.

From the territorial point of view, only projects helping the implementation of district or local strategic development documents, which were approved by the local administration, are supported in the ROP SE. Through this support, the ROP SE complies with the subsidiarity principle.

In its implementation, the ROP SE emphasises (content permitting) the equality of men and women and protection of the environment and public health. The target groups on which the areas of support focus or have impact are: the elderly, single mothers, minors and youngsters and persons in danger of social exclusion, professional associations, municipalities and their groups, their inhabitants, local entrepreneurs and tourists.

Considering the current state of the ROP SE's implementation, the benefits for these target groups cannot be quantified.

2.1.E Assistance Repaid or Re-used

In 2007, the ROP SE did not experience any repaid or re-used funds after cancellation of support for the original beneficiary as provided by Article 27(98)(2) of the General Regulation.

2.1.F Qualitative Analysis

The objective of the ROP SE is to enhance regional competitiveness through the creation of conditions for the efficient utilisation of the development potential of the NUTS 2 South-East region, namely a complex improvement in transport accessibility and interconnection of the regional development poles, which will lead to taking full advantage of all the regional tourism opportunities. Another objective is the improvement of living conditions in towns and rural area in accordance with the principles of sustainable development. For the 2007–2013 programming period, some progress in fulfilling this objective through completion of the following tasks was recorded in 2007:

- determination of all necessary conditions for the implementation of the ROP SE,
 - the preparation, elaboration and negotiations with the Commission about the ROP SE and documents related to the programme,⁸
 - through the creation, operation and development of the implementation structure for the ROP SE – organisation and activities necessary for the implementation of the ROP SE,⁹
 - securing sufficient funding from national public sources,¹⁰
 - creation of regional absorption capacity,¹¹
- incorporation of comments by the Commission into the ROP SE,
- approval of the ROP SE by the European Commission (December 2007),
- implementation of the first call for projects in the following support areas:
 - 1.1 – Transport infrastructure development,
 - 4.1 – Activities connected with the implementation and management of the ROP
 - 4.2 – Support to absorption capacity

⁸ See the annex entitled “Milestones of the Programme”

⁹ See the annex entitled “The Organizational Structure and the Number of Employees”

¹⁰ See the annex entitled “Planned Volumes, Dates of Calls for 2008 and Amounts Allocated under the Priority Axes of the ROP SE (CZK)”

¹¹ See chapters 6 and 7

- implementation of the second call for projects in the following support areas:
 - 1.2 – Transport services and public transport development
 - 1.4 – Unpowered transport infrastructure development
 - 2.1 – Development of infrastructure for tourism
 - 2.2 – Development of services in tourism
 - 3.2 – Development of regional centres
 - 3.3 – Development and stabilisation of rural areas
 - 3.4 – Public services of regional significance
- beginning of the preparation and implementation of the compliance audit (to assure the Commission and the national authorities that the region is ready to start drawing funds from the ERDF),
- announcement of the first calls for a quick start of the implementation of the ROP SE and acceleration of regional development in the chosen priority axes as well as the acceleration of the use of funds.

The Managing Authority worked in conjunction with the National Fund, Department of the Paying and Certifying Authority, to draft the procedures of financial flows and the supervision of programmes co-financed from the Structural Funds for the 2007–2013 programming period. In particular, they established the processing of payments to the beneficiaries of assistance, the preparation of application forms and the procedures for checking on and auditing bodies.

The Ministry of Finance conducted an economic audit within the Managing Authority of the South-East Cohesion Region for 2006 and part of 2007 pursuant to Act No 420/2004 Coll. on economic audits as amended. This Act attests to the correctness of procedures and compliance with the laws and regulations surrounding the Regional Council South-East as the Managing Authority of the ROP SE.

Co-financing of the programme from national resources is secured by contracts between the regions located within the NUTS 2 South-East region (i.e. the South Moravian and Vysocina Regions) for the entire 2007–2013 programming period and by the established procedures for the granting of funds by the Ministry for Regional Development of the Czech Republic (General decision on funding from the ROP SE in 2007–2013).

To determine the fulfilment of predetermined objectives, a number of indicators were introduced in the ROP SE that are regularly monitored and assessed and compared to the South-East Cohesion Region's objectives.

In negotiations with the Commission and in fulfilling the National Reform Programme of the Czech Republic, results that will have an impact on the Czech contribution to the Lisbon strategy were reached primarily in the following areas:

- a) the release of entrepreneurial potential, in particular for small and medium-sized enterprises,
- b) energy issues and climate changes with the objective of enhancing the EU's effective integrated energy policy.

In the National Reform Programme, they were, in particular:

- a) development of the information society,
- b) an increase in employment and employability.

To monitor the implementation and progress of measures related to the Lisbon strategy and the National Reform Programme, at least two indicators were integrated into the global objective and Priority Axes 1, 2 and 3 of the ROP SE (see chapter 2.1.A). Detailed information about Priority Axes' indicators can be found in chapter 3.

Projects applying for assistance from the ROP SE are awarded points according to the likelihood they will further the objectives of horizontal themes. Importantly, projects with a negative impact on horizontal themes are excluded from support from the ROP SE.¹²

¹² An example of a project application that contributes to the fulfilment of these issues can be found in chapter 3.1.1.B



2.2 INFORMATION ABOUT COMPLIANCE WITH COMMUNITY LAW

In using assistance the ERDF in 2007, the Managing Authority proceeded in accordance with all policies of the Community.

The ROP SE was evaluated according to Act No 100/2001 Coll., on environmental impact assessment and on some related laws, as amended. The ROP SE received a positive evaluation (EIA). The programming documentation requires that all supported projects be at least environmentally neutral. Projects with a positive environmental impact will be awarded more points.

According to Article 16 of Council Regulation (EC) No 1083/2006 laying down the general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (hereafter General Regulation), member states are required to ensure equality between women and men and ensure gender equality when providing assistance from the funds. In addition, there can be no discrimination based on race and ethnicity, disability, age, religion or conviction and sexual orientation. Equal opportunities in this wider understanding were respected and supported in programming, preparing the implementation structure, working on underlying documents for applicants as well as in choosing projects to be funded.

The Managing Authority is aware of its responsibilities in procurement, where – according to the effective programming documentation – beneficiaries of assistance are obligated to select suppliers for their projects in accordance with national legislation (Act No 137/2006 Coll., on procurement, as amended) that conforms to Directive No 2004/18 (EC) and Directive No 2004/17 (EC) or, alternatively, in accordance with instructions issued by the Managing Authority that are based on the aforementioned law and procedures recommended by the National Coordination Authority for European subsidy policy (i.e. the Ministry for Regional Development). In 2007, the binding procedures were adopted along with control procedures. The Managing Authority continually informs potential beneficiaries of assistance about their duty to select suppliers for funded projects transparently at specialised seminars. It also provides training for its employees, who are responsible for supervising the aforementioned duty.

During the 2007 programming, the Managing Authority paid attention to introducing appropriate rules for the protection of economic competition. In particular, it established procedures for evaluating all accepted projects from the viewpoint of compliance with the characteristics of funding from public resources pursuant to Article 87 of the Commission Treaty.

In 2007, implementation of the ROP SE did not begin until the second half of the year. Therefore, no audits

were conducted and infringements of EU law by funding beneficiaries were not shown. Audits conducted at the Managing Authority based on national legislation (economic audits according to Act No 218/2000 Coll., as amended) did not reveal such infringements either.

2.3 SIGNIFICANT PROBLEMS AND MEASURES TAKEN TO OVERCOME THEM

The most serious problem in the ROP SE as a whole in 2007 was the substantially delayed approval of the operational programme (3 December 2007) and its signing (11 December 2007). The intense efforts and negotiations of all relevant parties notwithstanding, the common objective to implement the ROP SE at the beginning of the programming period could not be achieved.

Over the course of the negotiations, the Managing Authority regularly evaluated the situation in the context of all other operational programmes in the Czech Republic and their own negotiations. The work on the ROP SE programming document (including incorporation of objections voiced by the Commission), its methods and manuals continued. The processes of programme management and the related competencies and responsibilities were made more precise. First-rate staffing and an increase in absorption capacity were and still are prominent issues and their fulfilment continues. In 2007, funding programmes began in the Transport Accessibility Priority Axis within area of support Transport infrastructure development in the Cohesion Region, in the Technical Assistance Priority Axis, in particular in area of support "Support to absorption capacity", and area of support "Activities connected with the implementation and management of the ROP".

The Managing Authority is aware of the dangers in transferring funds and implementing the programme with respect to the n+3 and n+2 rules. A measure concerning increasing the volume of implemented projects will be incorporated into the financial plan and the planning of future calls.

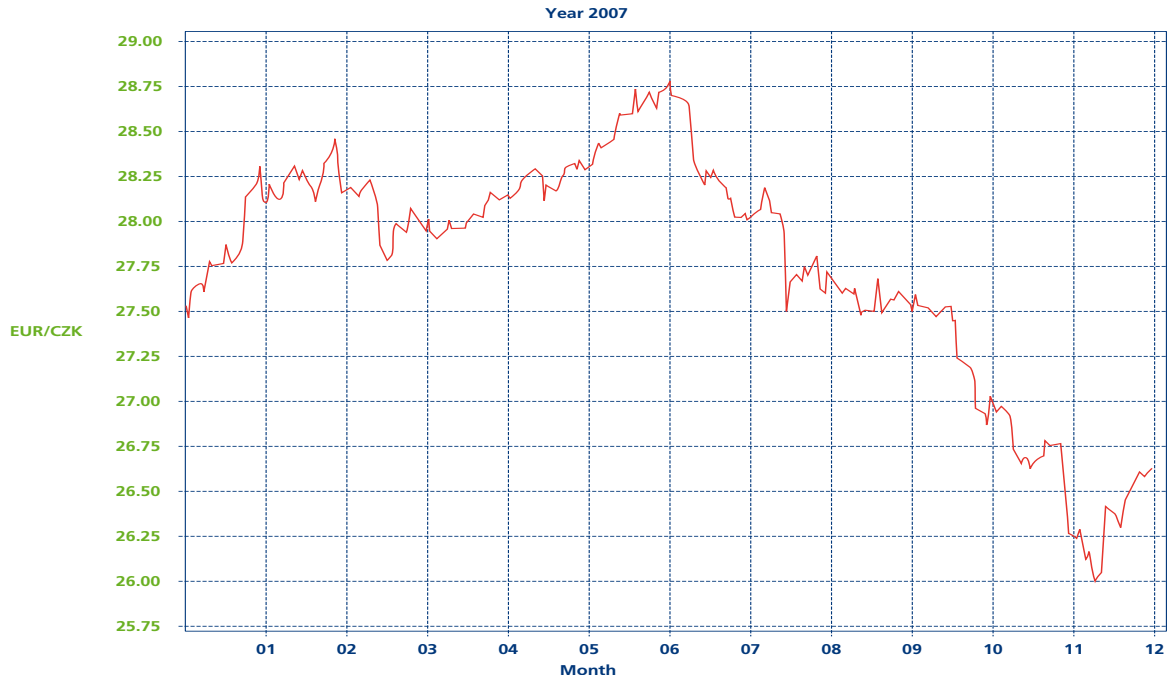
2.4 CHANGES IN THE OPERATIONAL PROGRAMME IMPLEMENTATION

The Czech currency appreciated on the foreign exchange markets (according to official Czech National Bank data, the exchange rate between the EUR and the CZK was 27.53 on 2 January 2007 and 26.20 on 31 December 2007). In chapter II. 2.2¹³ of the Inflation Report I/2008, which draws on data from previous years, the Czech National Bank discusses the trend of year-to-year appreciation of the Czech crown. A graph depicting the exchange rate between the Czech crown and the euro in 2007 can be found below. Inflation, in particular price

¹³ CNB. *Inflation Report I/2008* [quoted on 26 February 2008]. Available at: http://www.cnb.cz/im2export/sites/www.cnb.cz/cs/menova_politika/zpravy_o_inflaci/2008/2008_I/download/zoi_I_2008.pdf

developments in the construction sector, will also be monitored because it further reinforces the negative impact of the exchange rate on the implementation of the objectives.

Graph 4: **Development of the Exchange Rate EUR/CZK in 2007**



Source of data: the Czech National Bank. [quoted on 23 March 2008]. Available at: http://www.cnb.cz/cs/financni_trhy/devizovy_trh/kurzy_devizoveho_trhu/graf.jsp?rok=2007&mena=EUR

We use our own experience as well as good practice examples offered by foreign experts in an internal educational course entitled “The Transfer of Know-how and Good Practice in Managing Regional Operational Programmes for the Regional Council of the South-East Cohesion Region as an Implementing Agency – Learning by Doing”. We consider the following scenarios in this order: further monitoring of the exchange rate and expert mid-term estimates, building up of reserves, using interest from liquid assets, increasing the share of national resources and, as a last resort, less ambitious objectives in later years. Such important decisions, however, cannot be made without a profound analysis of economic trends.

2.5 SUBSTANTIAL MODIFICATIONS PURSUANT TO ARTICLE 57 OF REGULATION (EC) NO 1083/2006

In implementing the ROP SE in 2007, no substantial changes with respect to Article 57 of the General Regulation were observed.

2.6 COMPLEMENTARITY WITH OTHER INSTRUMENTS

This chapter outlines the implementation of the agreements made ensuring demarcation and coordination between assistance from the ERDF, the ESF, the Cohesion Fund, the European Agricultural Fund for Rural Development, the European Fisheries Fund, and the interventions of the EIB and other existing financial instruments (Article 9 (4) of the General Regulation).

2.6.1 Coordination of Assistance on the National Strategic Reference Framework

In accordance with the General Regulation, the Czech Republic defined the main institutions for managing and coordinating the NSRF:

- The National Coordination Authority,
- The Monitoring Committee – Management and Coordination Committee
- The Paying and Certifying Authority – National Fund Section
- The Audit Authority – The Central Harmonisation Unit for Financial Control

Czech Government Decision No 198 of 22 February 2006 put the Ministry for Regional Development in charge of coordinating the NSRF. The competences of the Ministry are laid out in Act No 248/2000 Coll., on support of regional development, as amended. A special section within the Ministry for Regional Development is the National Coordination Authority for the NSRF. The National Coordination Authority is responsible for the overall coordination of the NSRF and is an official partner of the European Commission for issues related to the NSRF. The National Coordination Authority creates organisational, administrative, special and technical conditions for the activities of the Management and Coordination Committee.

The Monitoring Committee established by the Ministry for Regional Development according to Act No 248/2000 Coll. on support of regional development as amended acts as the Monitoring Committee for the NSRF. The objective of the Management and Coordination Committee is to perform coordination on the national level. The Committee discusses and recommends financial and material amendments to the approved operational programmes, discusses proposals and changes to the procedures and rules for the implementation of the policy

of economic and social cohesion, and coordinates systematic measures necessary for economic and social cohesion (monitoring and information systems, institutional structures etc.). For better coordination between operational programmes, four coordinating committees were established under the auspices of the National Coordination Authority. Section directors (representatives of managing authorities) are members of those coordinating committees, all of whom are chaired by a representative of the National Coordination Authority.

The National Fund, a section of the Ministry of Finance, acts as the Paying and Certifying Authority for the implementation of assistance from the Structural Funds and the Cohesion Fund. The Paying and Certifying Authority closely cooperates with the National Coordination Authority.

An audit authority was established according to Article 59 of the General Regulation. According to decision of the government of the Czech Republic No 198 dated 22 February 2006, the Ministry of Finance, namely its section called the Central Harmonisation Unit, acts as the audit authority.

2.6.2 Coordination of the ROP SE with ERDF Operational Programmes

To secure a smooth flow of information, to enhance the synergy effect, to prevent overlaps and to support the most efficient utilisation of funds from the Structural Funds and the Cohesion Fund, a close cooperation between the Managing Authority of the ROP SE and managing authorities of other programmes funded from the ERDF is necessary.

For the ROP SE, cooperation with managing authorities of other ROPs and the Managing Authority of the Integrated Operational Programme is of the utmost importance. Another important partner for the Managing Authority of the ROP SE is the Managing Authority of the OP Transport, the OP Environment and the OP Enterprise and Innovation. The National Coordination Authority is in charge of overseeing this coordination. In addition, section directors of managing authorities cooperate. Representatives of the Cohesion Region are members of the monitoring committees of those OPs.

An agreement on the cooperation and coordination in implementing the Integrated Operational Programme and the ROP was signed by the regional councils of all seven cohesion regions and the Integrated Operational Programme. According to this agreement, a representative from the Ministry for Regional Development is a member of the Monitoring Committee of the ROP SE and a representative of the Managing Authority of the ROP SE is a member of the Monitoring Committee of the Integrated Operational Programme. The Managing Authority of the ROP SE and the Managing Authority of the Integrated Operational Programme are working together in preparing the criteria for the announcements of calls, the selection of projects, the transfer of information about selected projects and other areas to improve coordination, increase programme efficiency and secure the most synergy.

The following mechanisms are put in place for coordination of the ROP SE with the Integrated Operational Programme.

- The Monitoring Committee – a representative from the Ministry for Regional Development in the Monitoring Committee of the ROP SE, and for the sake of reciprocity, a representative from the Monitoring Committee of the ROP SE in the Monitoring Committee of the Integrated Operational Programme. This is the top-tier level of coordination between the Integrated Operational Programme and the ROP.
- A Coordinating Committee for the 4th strategic objective of the NSRF – a platform of the MA ROP SE and the MA Integrated Operational Programme for consultations on the criteria for the selection of projects, specification of areas of common interest, calls in the preparation and information for applicants. The MSC2007 module helps the Managing Authority of the ROP SE and the Managing Authority of the IOP access information about projects selected for implementation in both operational programmes.
- A working group for the coordination of interventions of the ROP SE and IOP with the EAFRD (the composition of the ROP SE, the regional branch of the State Agricultural Intervention Fund in Brno, the Ministry of Agriculture and the Ministry for Regional Development).
- A definition of interventions (from the viewpoint of both territory and content) and a definition of beneficiaries.

In the area of public health, projects related to medical equipment and to the prevention of health risks will be supported on the national level from the IOP. The ROP SE provides supplementary funding for projects of regional importance.

In the area of social integration, the IOP will mainly support pilot, systemic and innovative projects with a national impact. The ROP SE is a complementary source of funding for infrastructure of social services according to Act No 108/2006 Coll., on social services, as amended, and also deals with authenticated ways of supporting social integration that are regulated by legislation.

In the building of infrastructure for modern cultural services, the IOP exclusively focuses on monuments listed by the Ministry of Culture. The ROP SE complements the IOP and is in charge of other cultural monuments and their future utilisation in the development of tourism.

An agreement on cooperation and coordination in implementing the Operational Programme Transport and the ROP was signed by the regional councils of all seven cohesion regions. According to this agreement, a representative from the Ministry of Transport is a member of the Monitoring Committee of the ROP SE and a representative from the Managing Authority of the ROP SE is a member of the Monitoring Committee of the OP Transport. The Managing Authority of the ROP SE and the Managing Authority of the OP Transport will work together in preparing the criteria for the announcements of calls, the selection of projects, the transfer of

information about selected projects and other areas to improve coordination, increase programme efficiency and secure the most synergy.

The mutual participation in monitoring committees facilitates coordination of the ROP SE with the OP Transport. The MSC2007 will secure the exchange of information. The parties will consult each other before establishing technical conditions for the selection of rail vehicles.

Cooperation between the ROP SE, the OP Environment and the OP Enterprise and Innovation concerns mainly the regeneration of brownfields and the elimination of old ecological burdens using the following mechanisms:

The Ministry of the Environment will be informed about projects of brownfield regeneration submitted to the ROP SE and the OP Enterprise and Innovation. The Ministry of the Environment will inform the Managing Authority of the ROP SE or the OP Enterprise and Innovation whether the submitted project includes old ecological burdens that will be resolved by the OP Environment, or whether it can be resolved within the ROP SE (or OP Enterprise and Innovation). The MSC2007 module will secure the exchange of information. The ROP SE supports the regeneration of brownfields for public uses and services.

The OP Enterprise and Innovation is a supplementary source of funding for projects that develop brownfields so they can be used by the manufacturing sector or as centres of innovation. As far as the relation to the EAFRD is concerned, the ROP SE and the OP Enterprise and Innovation are not responsible for the regeneration of brownfields that will be used in agriculture.

Coordination with other ROPs mainly takes place at the Monitoring Committee level of the respective regional operational programmes. The Monitoring Committee of the ROP SE strives for the coordination of dates and places of sessions in order to assure a smooth flow of information. For coordination and cooperation between the ROPs, the Association of Regions of the Czech Republic established an expert working group for EU and working groups for individual activities of the Regional Council.

Coordination with operational programmes funded from the ESF will occur pursuant to an agreement between the MA ROP SE and the MA OP Human Resources and Employment and the OP Education for Competitiveness. To achieve the most synergy, the ROP SE will capitalise on the option of cross-financing under the conditions laid out in the programme document of the ROP SE and other instructions. The demarcation lines between the ROP SE and operational programmes funded from the ESF are described in detail in relevant chapters of the ROP SE programme document. The ROP SE funds investment projects, whereas the ESF concentrates on projects of a non-investment nature. Consequently, overlaps will not occur.

In the European Territorial Cooperation objective, two bilateral operational programmes of cross-border cooperation will be implemented in the South-East Cohesion Region during the 2007-2013 programming period,

namely a Czech-Austrian (OP Austria–Czech Republic 2007–2013) and a Czech-Slovak (OP Slovak Republic – Czech Republic 2007-2013). Both of them concern, unlike interventions in the ROP SE, transport accessibility and tourism exclusively in border areas affecting cross-border cooperation.

2.6.3 Coordination of the ROP SE with Operational Programmes Funded from the EAFRD and the EFF

In accordance with the relevant regulations by the European Commission and the European Community, it is necessary to unambiguously distinguish between support related to the policy of economic and social cohesion and interventions funded from the EAFRD and the EFF in order to reach a synergy effect, to prevent overlaps and to eliminate uncovered areas.

A coordination group of the Ministry for Regional Development oversees the coordination and cooperation of the managing authorities of the Rural Development Programme, the EFF and operational programmes of the cohesion policy. The group will provide all managing authorities with a database of all projects in all programmes. Coordination will also be conducted by a working group at the regional level (composed of representatives of the regional branch of the State Agricultural Intervention Fund, the Ministry of Agriculture, the Ministry for Regional Development and the Regional Council SE to supervise potential overlaps). The demarcation line between the ROP SE and the Rural Development Programme is defined in the approved version of the NSRF and in the ROP SE. The Rural Development Programme focuses mainly on the support of activities in municipalities with fewer than 500 inhabitants (2 000 inhabitants in projects related to tourism). In many interventions (transport, tourism, culture), The Rural Development Programme complements the ROP SE that, with the exception of tourism, focuses on municipalities with more than 500 inhabitants.

In the transportation sector, the ROP SE will deal with transport infrastructure of 2nd and 3rd class roads in rural areas that connect regional centres and rural areas with the TEN-T network, and with the travel accessibility of rural areas through public transport including the Integrated Transport System. The Rural Development Programme supports projects focusing on the development of roads in municipalities with up to 500 inhabitants. The ROP SE will support investment into local roads in municipalities with more than 500 inhabitants if the investment is part of a complex project modernising public spaces in municipalities with more than 500 inhabitants or if there are access roads to monuments with significance for tourism.

As far as tourism is concerned, several demarcation lines have been delineated between the Rural Development Plan and the ROP SE in order to avoid overlaps and to cover all necessary aspects. The ROP SE will complement the funding provided by the Rural Development Programme for a system of signs for cycling routes, hiking paths and facilities located outside woods to secure the safety of visitors. The Rural Development Programme covers these activities in woody areas. For infrastructure related to recreational tourism, the dividing line is

achieved by the categorisation of beneficiaries, in particular in municipalities with up to 2 000 inhabitants so that each applicant can apply just in one operational programme. As far as cultural monuments are concerned, interventions from the Rural Development Programme will be conducted in municipalities with up to 500 inhabitants, except for cultural monuments of national importance and UNESCO monuments (where the Integrated Operational Programme intervenes) and cultural monuments in municipalities with more than 500 inhabitants that are used for tourism (where the ROP SE intervenes). Consequently, the ROP SE supplementary funds relatively large projects of regional importance with a wider territorial impact in the region.

In solving the sustainable development of towns and rural areas, the ROP SE supports programmes focusing on civic facilities and services in municipalities with more than 500 inhabitants. The Rural Development Programme deals with similar issues in municipalities with up to 500 inhabitants. The Rural Development Programme and the ROP SE are in charge of the regeneration and revitalisation of brownfields. The difference between them consists primarily in beneficiaries of support and in the future use of brownfields. The Rural Development Plan focuses on agricultural entrepreneurs and on future agricultural use of brownfields.

The ROP SE and the above mentioned operational programmes complement and condition each other. In implementing specific funded projects, they will ensure sufficient synergy to reinforce the programmes' impact. At the same time, they will contribute to the fulfilment of the objectives and priorities of the controlling programme document (the NSRF).

2.7 MONITORING ARRANGEMENTS

In accordance with Articles 63 and 64 of the General Regulation, the Regional Council established its Monitoring Committee. The objective of the Monitoring Committee is to assure the effectiveness and quality of the assistance provided. The Monitoring Committee was established based on the partnership principle according to Article 11 of the General Regulation.¹⁴

According to Article 65 of the General Regulation, the Monitoring Committee is responsible for the efficient and proper implementation of the operational programme. In accordance with the Article, it is primarily responsible for:

- the elaboration and (after consultations with the Managing Authority) approval of its Rules of Procedure that respects the national, institutional, legislative and financial framework,
- discussion and approval of criteria (proposed by the Managing Authority) for the selection of projects co-funded in the programmes no later than 6 months after the approval of the programme; approval of all amendments to the criteria according to the programming needs,
- the regular evaluation of progress in the implementation of the ROP SE based on documents submitted by the Managing Authority, in particular with regard to the objectives,
- the evaluation and approval of annual and final reports on implementation before they are submitted to the European Commission,
- the monitoring of information on the annual auditing report and about all relevant comments voiced by the European Commission after examining the report,
- discussion and approval of changes from Commission decisions on EU funds,
- proposals to the Managing Authority that the operational programme be revised or re-considered in order to contribute to reaching the objectives of the funds laid out in Article 3 or to improve its management, including financial management,
- the examination of the results of programme evaluation conducted according to Article 48 of the General Regulation,
- the establishment of working groups, if necessary, for solving specific problems (for the preparation of expert opinions and reports),
- the monitoring of information on the Communication Plan and its amendments, the Evaluation Plan and its amendments and the Technical Assistance Plan for the next year.

The collection of data from the applicants up to the Ministry for Regional Development is secured through three interconnected information systems. For the Managing Authority of the ROP SE, it is the MONIT7+ information system operated by the Centre for Regional Development and its supplier.

¹⁴ See the table *List of Institutions – Members of the Monitoring Committee of the ROP SE* in Chapter 1.

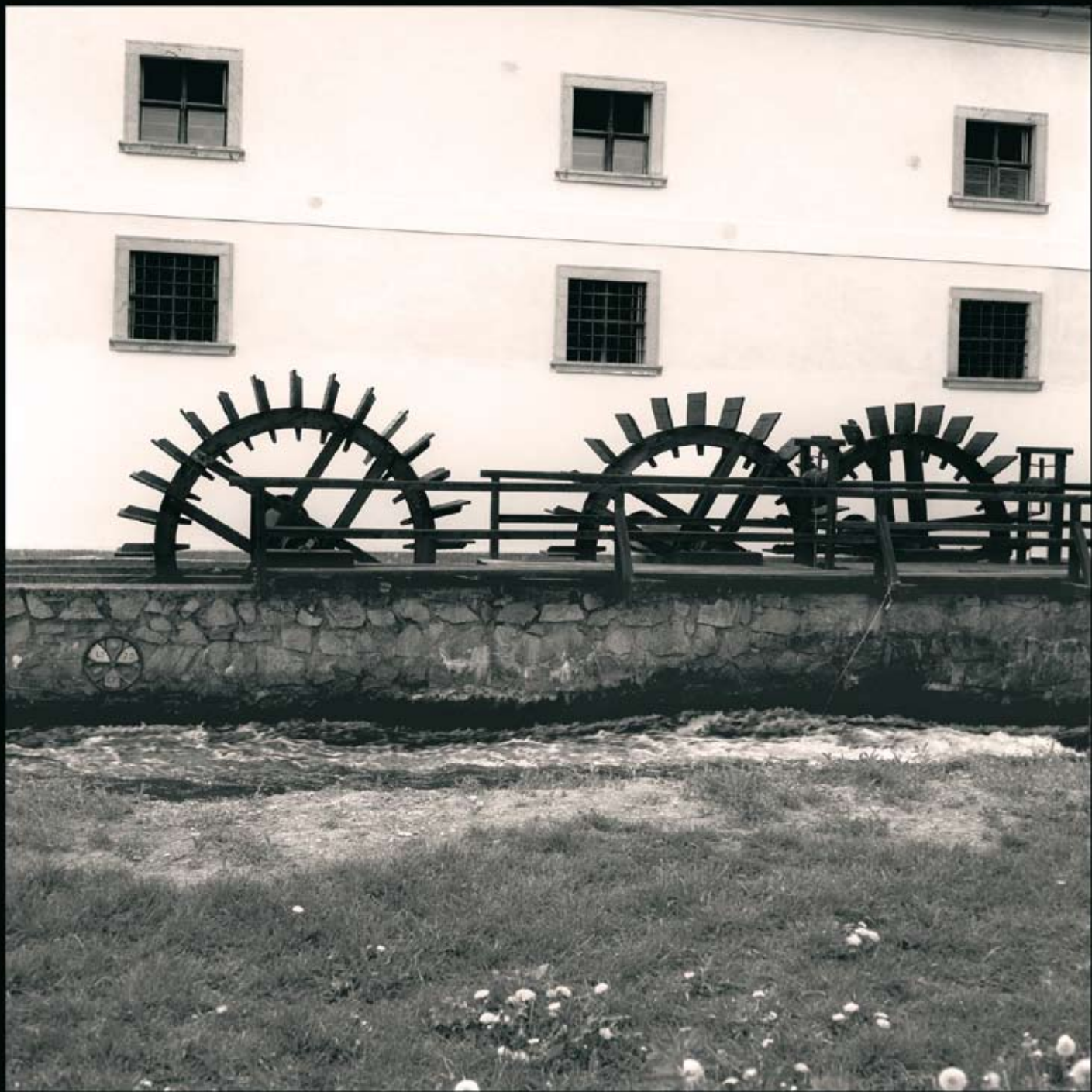
Figure 3: **Structure of the Monitoring System**



Source of data: ROP SE Intranet

In 2007, both applicants and the Managing Authority encountered their first problems with data reliability and accessibility. The collected data are supposed to be used for the management of the ROP SE and to provide necessary information about applicants and beneficiaries. Therefore, the ROP SE considers the system risky. The Managing Authority drafted a detailed manual about the BENEFIT7+ and MONIT7+ information systems to facilitate users' work. The manual is regularly updated.

The Managing Authority's options are limited. To eliminate the aforementioned risks, further negotiations and cooperation will be necessary to eliminate the system defects and to start cooperation in the planned development of information systems.



3 IMPLEMENTATION BY PRIORITY AXIS

3.1 PRIORITY AXIS 1 – TRANSPORT ACCESSIBILITY

The main objective of Priority Axis 1 is to improve regional transport accessibility (namely in the South-East Cohesion Region) while respecting environmental concerns. Priority Axis 1 includes the following areas of support:

- 1.1 Transport infrastructure development,**
- 1.2 Transport services and public transport development**
- 1.3 Public transport rail rolling stock renovation**
- 1.4 Unpowered transport infrastructure development**

Support will be awarded to regions and organisations they established, municipalities and groups of municipalities, and operators of rails and rail transport.

Examples of projects: construction and modernisation of 2nd and 3rd class roads, transport terminals, purchase of environmentally-friendly vehicles, vehicles for suburban transport, construction of cycling routes, and the installation of safety and orientation features for blind people.

3.1.1 Achievement of Targets and Analysis of the Progress

3.1.1.A Information on the Physical and Financial Progress of the Priority

In 2007, the aforementioned support areas were defined based on extensive and detailed socio-economic surveys. Agreement was reached on the support areas because they are needed for the region and they comply with the conditions of the European Commission, Community law and Czech legislation.

An important event in this priority axis was the aforementioned announcement of calls for submissions of projects to be funded from the ROP SE. The following calls were announced:

- 1.1 Development of transport infrastructure in the region (17 September 2007) with a total funding of CZK 1 949 600 000 (a continuous call),
- 1.2 Transport services and public transport development (17 December 2007) with a total funding of CZK 258 000 000 (a round call),
- 1.4 Unpowered transport infrastructure development (17 September 2007) with total funds of CZK 200 000 000 (a round call).

For calls in areas of support 1.2 and 1.4, applications were accepted from 2 January 2008 until 29 February 2008. For calls in area of support 1.1 applications will be accepted continually until the allocated sum is disbursed or until the Managing Authority decides to terminate the submission period.

For Priority Axis 1 – Transport Accessibility, indicators listed in the table entitled “Indicators of Priority Axis 1 – Transport Accessibility” were put in place. Due to the delayed approval of the programme, the established values could not be achieved.

Table 14: **Indicators of Priority Axis 1 – Transport Accessibility**

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
511100 Core 13 Output	The number of supported projects focused on transport development (transport accessibility)	The number of funded projects focused on transport infrastructure	Managing Authority	Achieved	0		
				Planned	–	91	
				Starting	0		
10241 Output	The number of newly acquired environmentally-friendly vehicles for public transport	The number of vehicles	Managing Authority	Achieved	0		
				Planned	–	15	
				Starting	0		
610244 Output	The number of newly acquired vehicles for rail and traction public transport	The number of vehicles	Managing Authority	Achieved	0		
				Planned	–	9	
				Starting	0		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
610100 Core 16 Output	The total length of new and modernised 2 nd and 3 rd class roads	Kilometres of roads	Managing Authority	Achieved	0		
				Planned	–	270	
				Starting	0		
610301 Output	The number of modernised regional airports	The number of projects	Managing Authority	Achieved	0		
				Planned	–	1	
				Starting	0		
610111 Output	The length of newly constructed cycling routes where power- operated transport is excluded	The length of new separated cycling routes (km)	Managing Authority	Achieved	0		
				Planned	–	40	
				Starting	0		
610109 Output	The length of newly constructed or modernised bypasses around towns and villages	(km)	Managing Authority	Achieved	0		
				Planned	–	12	
				Starting	0		

Source of data: ROP SE

Table 15: Indicators of Results in Priority Axis 1 – Transport Accessibility

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
610108 Result	Share of modernised roads on the total length of 2 nd and 3 rd class regional roads	Share (%)	Managing Authority	Achieved	0		
				Planned	–	3	
				Starting	0		
610205 Result	Increase in the number of people serviced by public transport	Thousands of people	Public transport authority, operators	Achieved	0		
				Planned	–	461 000	
				Starting	424 470		
610211 Result	The number of municipalities participating in the Integrated Transport System	The number of municipalities participating in the Integrated Transport System in the region	Managing Authority	Achieved	0		
				Planned	–	650	
				Starting	257		
610249 Result	The number of new or modernised transfer terminals for public support	Number	Managing Authority	Achieved	0		
				Planned	–	20	
				Starting	0		
611105 Result	The number of users of new cycling and horse routes after the 1 st year in operation	The number of users	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		

Source of data: ROP SE

Table 16: **Indicators of the Priority Axis 1 – Transport Accessibility**

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
610300 Impact	The number of travellers serviced at regional airports	The number of travellers	Managing Authority	Achieved	0		
				Planned	–	450 000	
				Starting	315 000		

Source of data: ROP SE

Table 17: Indicators of Horizontal Themes of Priority Axis 1 – Transport Accessibility

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
653107 HT	Noise reduction	The percentage of inhabitants living in areas where noise limits are exceeded according to noise maps (%)	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	21.5		
653103 HT	Emissions of tropospheric ozone precursors	The total annual emissions of tropospheric ozone VOC, NO _x , PCO and CH ₄ (kilotonnes)	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	86		
653104 HT	Decrease in the emission of primary particles and secondary particulate precursors	The total annual emissions of primary particles PM10 and emissions NO _x , SO ₂ , NH ₃	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	34.8		

Source of data: ROP SE

3.1.1.B Qualitative Analysis

The table entitled “Projects and Volume of Funds for Area of Support 1.1” summarises the submitted projects for the entire priority axis. The projects concern the modernisation and construction of new roads including positive impacts on the environment and public health. Arguably, the projects will contribute to the fulfilment of the

Lisbon strategy, and the conditions for employment will improve due to enhanced transport accessibility. Project application No CZ.1.11/1.1.00/01.00003 Road II/422 Lednice is an example thereof. The issue is the relaying of the road and the application was submitted in area of support 1.1 Transport infrastructure development in the cohesion region. The objective is to implement a project in the southern part of the South-East Cohesion Region in the proximity of the Czech border with Slovakia and Austria. It is a 2nd class road and the relaying will improve the connection of the region to the TEN-T supra-regional transport network in the town of Břeclav. The town of Břeclav is located at a very important rail junction and has excellent transport accessibility. The project's aims are to eliminate the adverse impacts of transport on the inhabitants (emissions, noise) and eliminate safety risks (installation of deceleration lanes, narrow lanes, blocking of some selected lateral roads).

The principle of equal opportunity is respected because the projects concern the revitalisation of public infrastructure accessible not only to locals, but to all visitors of the region. The project respects the needs of people with limited mobility and orientation.

Benefits for the environment will specifically include a decrease in emissions of road vehicles, shortening of transport times and smoothness of transport. Furthermore, changes in the surface of the roads will contribute to a decrease in noise to which inhabitants are exposed, and to a decrease in dust nuisance and vibrations that exist due to missing road surface. A lower risk of road accidents should bring about a lower risk of release of petroleum substances in the local environment. Moreover, cheaper and easier maintenance of roads is anticipated.

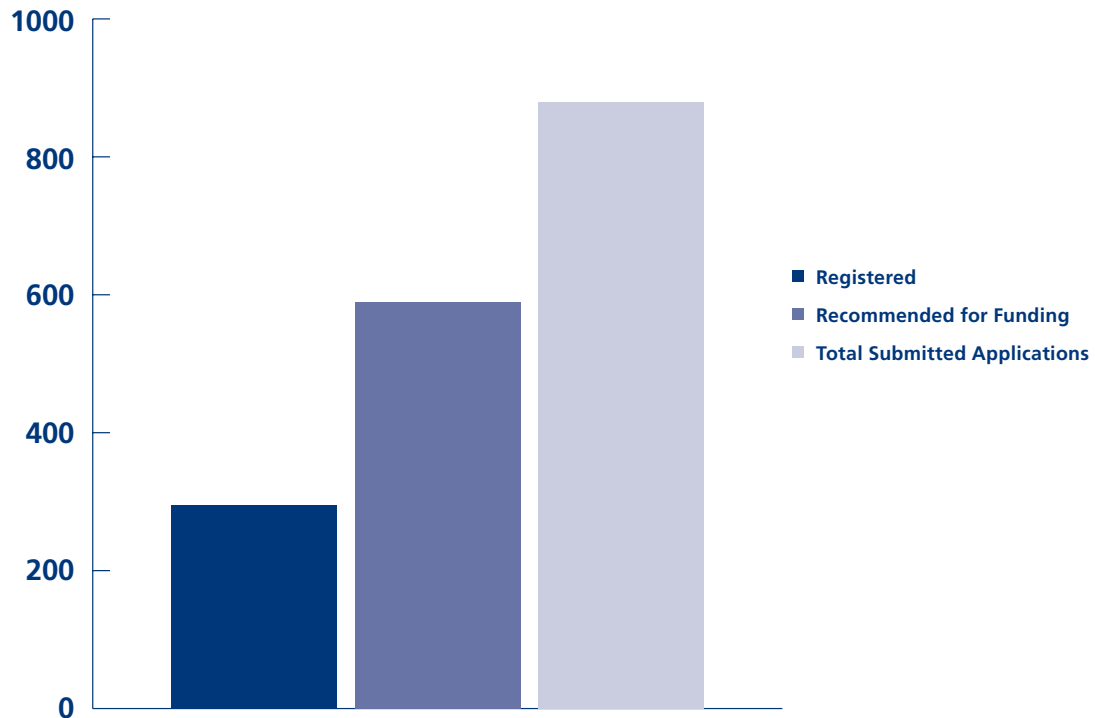
Table 18: **Projects and Volume of Funds in Area of Support 1.1 (CZK)**

Project Registration Number	Project Name	Applicant	Total Eligible Expenses	Subsidy	of which the non-investment part
Call for area of support 1.1 – Transport infrastructure development in the cohesion region					
CZ.1.11/1.1.00/01.00001	Road II/408 Suchohrdly u Znojma - Dyjákovice	South Moravian Road Maintenance Authority	48 165 685	44 553 259	69 075
CZ.1.11/1.1.00/01.00002	The town of Ivančice - improvement in transport accessibility	South Moravian Road Maintenance Authority	36 698 807	33 946 396	109 750

Project Registration Number	Project Name	Applicant	Total Eligible Expenses	Subsidy	of which the non-investment part
CZ.1.11/1.1.00/01.00003	Road II/422–Lednice, relaying of the road	South Moravian Road Maintenance Authority	79 765 015	73 782 639	244 750
CZ.1.11/1.1.00/01.00004	Újezd u Brna, bridge 418-005	South Moravian Road Maintenance Authority	24 697 178	22 844 889	55 750
South Moravian Region – total			189 326 685	175 127 183	479 325
CZ.1.11/1.1.00/01.00010	II/602 frontier of the region – Pelhřimov, 2 nd phase of construction	Vysocina Region	84 204 044	77 888 741	0
CZ.1.11/1.1.00/01.00011	II/353 Bohdalov – bypass	Vysocina Region	98 462 173	91 077 510	333 000
CZ.1.11/1.1.00/01.00012	II/602 outlying area of the region–Pelhřimov, 1 st phase of construction	Vysocina Region	164 688 935	152 337 265	0
CZ.1.11/1.1.00/01.00013	II/360 Oslavička – bypass, 2 nd phase of construction	Vysocina Region	141 588 722	130 969 568	101 750
CZ.1.11/1.1.00/01.00014	II/405 Brtnice –Zašovice	Vysocina Region	269 550 885	249 334 569	832 500
Vysocina Region – total			758 494 759	701 607 6531	267 250
Area of Support 1.1 – total			947 821 444	876 734 8361	746 575

Source of data: ROP SE

Graph 5: **Anticipated Subsidies (millions of CZK) – Area of Support 1.1**



Source of data: ROP SE. Anticipated subsidies (millions of CZK) – projects submitted to the ROP SE in 2007 – by phase of administration

Submitted projects can draw up to 8.11% of the total allocation for the 2007–2013 programming period.

The aforementioned data imply the preparedness of the ROP SE to use funds from the ERDF and the ability to submit a sufficient number of projects.

3.1.2 Significant Problems and Measures to Overcome Them

In 2007, the Managing Authority of the ROP SE did not detect any serious problems that would make it necessary to amend the programme document or to introduce major changes to the programme.



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PLAVEČ 2

3.2 PRIORITY AXIS 2 – DEVELOPMENT OF SUSTAINABLE TOURISM

The objective of Priority Axis 2 is to improve conditions for the development of regional tourism through supporting infrastructure and technical facilities for the development of sustainable tourism, the coordination of development activities, marketing and human resources.

The objective has two specific support areas:

2.1 – Development of infrastructure for tourism

2.2 – Development of services in tourism

In particular, municipalities, groups and associations of municipalities, regions and legal entities with the participation of local administration bodies, and small and medium-sized enterprises are supposed to apply for support.

To illustrate, support focuses on the construction and modernisation of spa and conference centres, recreation facilities, tourist information centres, accessibility of historical monuments and construction of lodging and catering facilities for tourists, a system of signs for cycling routes, construction of horse routes and other activities.

3.2.1 Achievement of Targets and Analysis of the Progress

3.2.1.A Information on the Physical and Financial Progress of the Priority

In 2007, calls were announced for areas of support 2.1 Development of infrastructure for tourism and 2.2 Development of services in tourism. The calls were announced on 17 December 2007 and the submission period was to run from 2 January 2008 until 29 February 2008.

The total funding available for area of support 2.1 Development of infrastructure for tourism and area of support 2.2 Development of services in tourism was CZK 435 000 000 and CZK 110 000 000, respectively. The expected values of the programme at the end of the programming period including the anticipated contribution to the equality of opportunities can be found below.

Table 19: Indicators of Results of Priority Axis 2 – Development of Sustainable Tourism

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
511200 Core 34 Output	The number of supported projects for the development of tourism	The number of projects focused on the development of tourism	Managing Authority	Achieved	0		
				Planned	–	250	
				Starting	0		
630100 Output	The total number of new or modernised beds	The number of new beds	Managing Authority	Achieved	0		
				Planned	–	120	
				Starting	0		
610115 Output	The length of newly built horse routes and pedestrian routes	The length of newly built or modernised tourist routes for pedestrians, cyclists, horse-riders and skiers (km)	Managing Authority	Achieved	0		
				Planned	–	150	
				Starting	0		
632200 Output	The number of renovated historical monuments	The number of renovated historical monuments that have been made accessible for tourists	Managing Authority	Achieved	0		
				Planned	–	30	
				Starting	0		
633101 Output	The number of promotional or marketing products for marketing	The number	Managing Authority	Achieved	0		
				Planned	–	56	
				Starting	0		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
633111 Output	The number of products created for the orientation of visitors	The number	Managing Authority	Achieved	0		
				Planned	–	95	
				Starting	0		

Source of data: ROP SE

Table 20: Indicators of Results of Priority Axis 2 – Development of Sustainable Tourism

Code NCI/ EU/Lisbon Code Type of Indica- tor	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
632102 Result	The number of newly certified lodging facilities in tourism	The number of certified lodging facilities	Responsible certification authorities	Achieved	0		
				Planned	–	15	
				Starting	0		
632300 Result	The number of new and modernised areas of tourism infrastructure	The number of items	Managing Authority	Achieved	0		
				Planned	–	18	
				Starting	0		
520212 Core 35 Result	The number of new jobs in projects of tourism development	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours	Czech Statistical Office	Achieved	0		
				Planned	–	200	
				Starting	0		

Source of data: ROP SE

Table 21: **Indicators of Priority Axis 2 – Development of Sustainable Tourism (horizontal themes, sustainable development)**

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520101 Core 02 HT	The total number of new jobs for males	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		
520102 Core 03 HT	The total number of new jobs for females	The total gross number of new jobs (according to the evidence of the Employment Office adjusted for full working hours	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		

Source of data: ROP SE

3.2.1.B Qualitative Analysis

No applications were approved in 2007. Therefore, no meaningful analysis can be conducted in this Priority Axis.

3.2.2 Significant Problems and Measures Taken to Overcome Them

In 2007, the Managing Authority of the ROP SE did not detect any serious problems that would make it necessary to amend the programme document or to introduce major changes to the programme.

3.3 PRIORITY AXIS 3 –SUSTAINABLE DEVELOPMENT OF TOWNS AND RURAL AREAS

The main objectives are the systematic enhancement of the region's competitiveness through the reinforcement of development potential in towns and the stabilisation of population in rural areas.

The objective has four specific support areas:

3.1 Development of urbanisation centres

3.2 Development of regional centres

3.3 Development and stabilisation of rural areas

3.4 Public services of regional significance

In particular, municipalities, groups and associations of municipalities, legal entities with participation of local administration bodies, small and medium-sized enterprises, non-governmental non-profit organisations, educational institutions and regions are supposed to apply for support.

The support focuses, for example, on the renovation of delapidated and empty buildings and spaces in municipalities, the reconstruction of squares, children's playgrounds and green spaces, construction and modernisation of schools, health and non-profit social facilities, cultural facilities and facilities used by civic associations and initiatives, and construction of local data networks for the public (support of the supply side).

3.3.1 Achievement of Targets and Analysis of the Progress

3.3.1.A Information on the Physical and Financial Progress of the Priority

In 2007, calls were announced for areas of support 3.2 Development of regional centres, 3.3 Development and stabilisation of rural areas and 3.4 Public services of regional significance. The call was announced at the very end of 2007 (17 December 2007).

The total volume of funds available for areas of support 3.2 Development of regional centres, 3.3 Development and stabilisation of rural areas and 3.4 Public services of regional significance is CZK 570 000 000, CZK 270 000 000 and CZK 750 000 000, respectively.

The expected values of the programme at the end of the programming period including the expected contribution to the equality of opportunities can be found below.

Table 22: Indicators of Output of Priority Axis 3 – Sustainable Development of Towns and Rural Areas

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
511518/19 Core 39 Output	The number of supported projects that increase the attractiveness of urbanisation centres – of which:	The number of supported projects	Managing Authority	Achieved	0		
				Planned	–	10	
				Starting	0		
511519 Output	Brno	The number of supported projects	Managing Authority	Achieved	0		
				Planned	–	6	
				Starting	0		
511518 Output	Jihlava	The number of supported projects	Managing Authority	Achieved	0		
				Planned	–	4	
				Starting	0		
511531 Core 39 Output	The total number of supported projects increasing the attractiveness of selected cities	The number of funded projects	Managing Authority	Achieved	0		
				Planned	–	38	
				Starting	0		
512100 Core 39 Output	The total number of supported projects that increase the attractiveness of rural centres	The number of funded projects	Managing Authority	Achieved	0		
				Planned	–	35	
				Starting	0		

Source of data: ROP SE

Table 23: Indicators of the Results of Priority Axis 3 – Sustainable Development of Towns and Rural Areas

Code NCI/ EU/Lisbon Code Type of Indica- tor	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
650101 Result	The area of regenerated and revitalised spaces in towns	The area (sq km)	Managing Authority	Achieved	0		
				Planned	–	2.20	
				Starting	0		
650505 Result	The area of regenerated and revitalised spaces in rural areas	The area (sq km)	Managing Authority	Achieved	0		
				Planned	–	0.60	
				Starting	0		
650100 Result	The total area of regenerated and revitalised spaces	The area (sq km)	Managing Authority	Achieved	0		
				Planned	–	2.80	
				Starting	0		
651100 Result	The total area of renovated and revitalised buildings in towns	Floor space (sq km)	Managing Authority	Achieved	0		
				Planned	–	86 000	
				Starting	0		
651500 Result	The total area of new renovated and revitalised buildings in rural areas	Floor space (sq km)	Managing Authority	Achieved	0		
				Planned	–	61 000	
				Starting	0		
651103 Result	The area of renovated and revitalised buildings for social services and health care	Floor space (sq km)	Managing Authority	Achieved	0		
				Planned	–	15 000	
				Starting	0		

Code NCI/ EU/Lisbon Code Type of Indica- tor	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
651104 Result	The area of renovated and revitalised buildings used for leisure activities	Floor space (sq km)	Managing Authority	Achieved	0		
				Planned	-	102 500	
				Starting	0		
640102 Result	The number of health care facilities newly equipped with special instruments and equipment	The number of facilities	Managing Authority	Achieved	0		
				Planned	-	7	
				Starting	0		
640101 Result	The number of educational institutions with new equipment facilitating learning	The number of facilities	Managing Authority	Achieved	0		
				Planned	-	22	
				Starting	0		
651101 Result	The area of renovated and revitalised buildings used for educational purposes	Floor space (sqm)	Managing Authority	Achieved	0		
				Planned	-	8 000	
				Starting	0		
651201 Result	The area of newly built facilities for leisure-time activities	Floor space (sqm)	Managing Authority	Achieved	0		
				Planned	-	18 000	
				Starting	0		
651202 Result	The area of newly built buildings for social services	Floor space (sqm)	Managing Authority	Achieved	0		
				Planned	-	3 750	
				Starting	0		

Code NCI/ EU/Lisbon Code Type of Indica- tor	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
651203 Result	The area of newly built buildings for educational purposes	Floor space (sqm)	Managing Authority	Achieved	0		
				Planned	–	3 750	
				Starting	0		
651204 Result	The area of newly built buildings for health care	Floor space (sqm)	Managing Authority	Achieved	0		
				Planned	–	2 750	
				Starting	0		
651205 Result	The number of open networks in areas affected by market failure	The number	Managing Authority	Achieved	0		
				Planned	–	8	
				Starting	3		

Source of data: ROP SE

Table 24: Indicators of the Results of Priority Axis 3 – Sustainable Development of Towns and Rural Areas

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520213 Core 01 Impact	The number of new jobs in projects of sustainable development of towns	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours)	Managing Authority	Achieved	0		
				Planned	–	15	
				Starting			
520215 Core 01 Impact	The number of new jobs in projects of sustainable development of rural areas	The total gross number of new jobs (according to statistics provided by the Employment Office adjusted for full working hours)	Managing Authority	Achieved	0		
				Planned	–	4	
				Starting	0		
No designation	The number of inhabitants newly covered by broadband Internet access	The number of inhabitants newly covered by broadband Internet access	Managing Authority	Achieved	0		
				Planned	–	Results of an evaluation study commissioned by the Managing Authority	
				Starting	0		

Source of data: ROP SE

Table 25: Indicators of the Results of Priority Axis 3 – Sustainable Development of Towns and Rural Areas

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
651120 Impact	Areas of newly created or reconstructed green spaces	Area (sqm)	Managing Authority	Achieved	0		
				Planned	–	200 000	
				Starting	0		
652000 Impact	The total area of revitalised unused or derelict sites (brownfields)	Area (sqm)	Managing Authority	Achieved	0		
				Planned	–	66 000	
				Starting	0		

Source of data: ROP SE

Table 26: Indicators of Horizontal Themes of Priority Axis 3 – Sustainable Development of Towns and Rural Areas

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520101 Core 02 HT	The total number of new jobs for males	The gross number of new jobs	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
520102 Core 03 HT	The total number of new jobs for females	The gross number of new jobs	Managing Authority	Achieved	0		
				Planned	–	Results of the evaluation study commissioned by the Managing Authority	
				Starting	0		

Source of data: ROP SE

3.3.1.B Qualitative Analysis

No applications were approved in 2007. Therefore, no meaningful analysis can be conducted in this Priority Axis.

3.3.2 Significant Problems and Measures Taken to Overcome Them

In 2007, the Managing Authority of the ROP SE did not detect any serious problems that would make it necessary to amend the programme document or to introduce major changes to the programme.

3.4 PRIORITY AXIS 4 – TECHNICAL ASSISTANCE

The main objective of this Priority Axis is to ensure activities supporting efficient management, supervision, monitoring and evaluation of the implementation of the ROP SE, activities related to promotion and information release about the programme and to reinforce the regional absorption capacity.

3.4.1 Achievement of Targets and Analysis of the Progress

3.4.1.A Information on the Physical and Financial Progress of the Priority

In 2007, calls were announced for support areas 4.1 Activities connected with the implementation and management of the ROP and 4.2 Support to absorption capacity. The call was announced on 17 September 2007.

Table 27: Fulfilment of Output Indicators of Priority Axis 4 – Technical Assistance

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
710500 Output	Implementation of evaluation studies and reports	The number	Managing Authority	Achieved	0		
				Planned	–	14	
				Starting	0		
710700 Output	The number of drafted instruction and technical documents	The number of document types	Managing Authority	Achieved	0		
				Planned	–	65	
				Starting	0		
711101 Output	The number of training sessions, seminars, workshops and conferences held	The number of events	Managing Authority	Achieved	0		
				Planned	–	100	
				Starting	0		
711102 Output	of which events with international participation	The number of events	Managing Authority	Achieved	0		
				Planned	–	20	
				Starting	0		

Source of data: ROP SE

Table 28: **Fulfilment of Indicators of Priority Axis 4 – Technical Assistance**

Code NCI/ EU/Lisbon Code Type of Indicator	Name of Indicator	Unit of Measurement	Source	Value	2007	Target Value 2015	Total
711500 Result	The amount of participation at foreign events focusing on deepening and exchange of information	The number of persons who participated at consultations abroad	Managing Authority	Achieved	0		
				Planned	–	14	
				Starting	0		
712501 Result	The number of audits of funds use	The number of audits of funds use	Managing Authority	Achieved	0		
				Planned	–	466	
				Starting	0		
711601 Result	The number of persons who participated in educational courses about reinforcement of absorption capacity	The number of persons who participated in educational courses about reinforcement of absorption capacity	Managing Authority	Achieved	0		
				Planned	–	1 250	
				Starting	0		
711900 Result	The number of trained persons	The number of trained persons	Managing Authority	Achieved	0		
				Planned	–	88	
				Starting	0		

Source of data: ROP SE

In the first year of the Office of the Regional Council as an implementation agency, a number of activities leading to introducing more efficiency into the whole process of implementation of the operational programme were started. The objectives laid down in the set of ROP SE indicators are being successfully fulfilled.

The indicator of trained persons was not fulfilled in 2007 because no appropriate accredited course for office employees and other collaborators took place.

No audits of fund use were conducted in 2007. Evaluation reports are expected to be generated in 2008.

3.4.1.B Qualitative Analysis

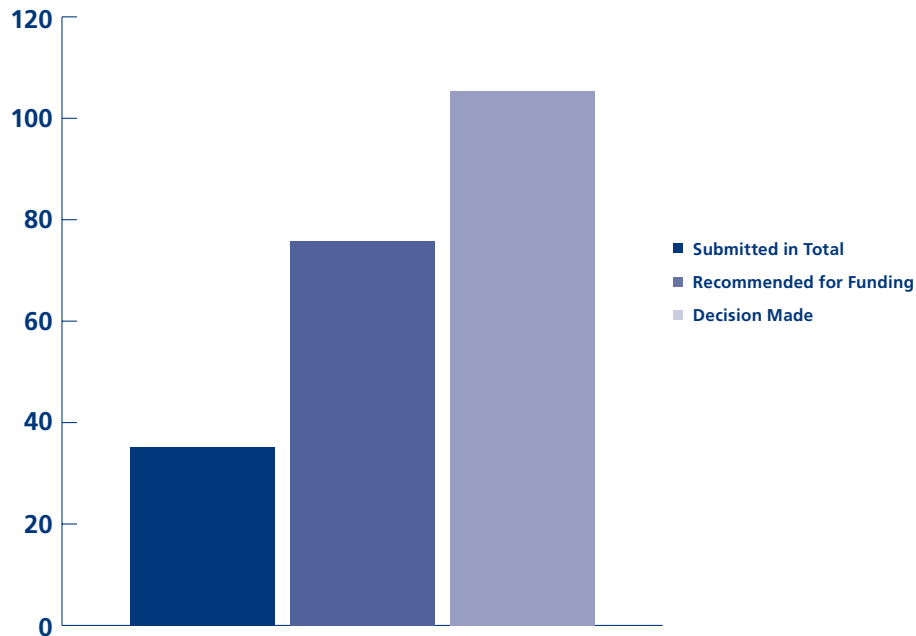
Due to there being projects implemented in this Priority Axis, we were able to achieve acceleration and concentration of funds for reinforcement of absorption capacity and of all technical and organisational measures needed to accept and implement projects concerning the ROP SE.

Table 29: **Projects of Priority Axis 4 – Technical Assistance (total eligible expenses and subsidies in CZK)**

Calls for Priority Axis 4 - Technical Assistance				
Project Registration Number	Project Name	Applicant	Total Eligible Expenses	Subsidy
CZ.1.11/4.1.00/01.00005	Support of the management of the ROP SE	Regional Council SE	31 635 000	29 262 375
CZ.1.11/4.2.00/01.00006	Technical assistance in the ROP SE – Promotion and absorption capacity	Regional Council SE	7 365 000	6 812 625
CZ.1.11/4.1.00/01.00007	Management and implementation of the ROP SE 2008	Regional Council SE	61 945 000	57 299 125
CZ.1.11/4.1.00/01.00008	Monitoring and evaluation in 2008	Regional Council SE	5 220 000	4 828 500
CZ.1.11/4.2.00/01.00009	Promotion, educational and absorption capacity	Regional Council SE	16 900 000	15 632 500
Priority Axis 4 – total			123 065 000	113 835 125
Total			1 070 886 444	990 569 961

Source of data: ROP SE

Graph 6: **Anticipated Funding (mil. CZK) – Priority Axis 4**
Projects submitted to the ROP SE in 2007
by state of administration



Source of data: ROP SE

Submitted projects can draw up to 15.17% of the total allocation for the 2007–2013 programming period.

3.4.2 Serious Problems and Measures Taken to Overcome Them

In 2007, the Managing Authority of the ROP SE did not detect any serious problems that would make it necessary to amend the programme document or to introduce major changes to the programme.



4 ESF PROGRAMMES: COHERENCE AND CONCENTRATION

The main and only source designated for the financing of the ROP SE from the Structural Funds in 2007 was the European Regional Development Fund.

In 2007, cross-financing was considered within the programme. The reason for using this opportunity was the achievement of multiplied benefits due to the combination of investment and non-investment resources. This decision opens a new opportunity for the ROP SE's contribution to the fulfilment of the Lisbon Strategy through implemented projects with direct practical impacts.

5 ERDF/CF PROGRAMMES: MAJOR PROJECTS

No major project defined in Article 39 of the General Provision was implemented in 2007 and none is planned for the future under the ROP SE.

6 TECHNICAL ASSISTANCE

Article 46 of the General Regulation allows for the allocation of funds of the operational programme for the preparation, management, monitoring, evaluation, information and control activities of operational programmes together with activities to reinforce the administrative and absorption capacity for the efficient drawing of the Structural Funds.

The objective of Technical Assistance activities is to ensure responsible and effective administration and implementation of the ROP SE, increase the absorption capacity of the region and guarantee successful drawing of resources from the EU Structural Funds.

Technical Assistance includes all supporting activities performed at the Managing Authority level with the aim to enhance the efficiency of implemented support, improve the quality of interventions and increase the effectiveness of the use of resources, mainly for an effective management of the ROP SE, its promotion and the evaluation of the programme and projects.

The Commission for Technical Assistance plays an important role when coordinating activities such as planning, approving of project intentions, budget fulfilment control of individual projects and proposing measures to

ensure due functioning of Technical Assistance. The Commission is comprised of members of the Office of the Regional Council. In 2007, the Commission met four times. The main topics of its meetings were the unification of supporting documents for project elaboration, the preparation of a drawing schedule and the establishment of project implementation procedures.

Priority Axis 4 Technical Assistance is divided into two measures: 4.1 Activities connected with the implementation and management of the ROP and 4.2 Support to absorption capacity.

Table 30: **Priority Axis 4 Allocation (CZK)**

Priority	2007–2013 Allocation	Scheduled Drawing of Resources from Public Funds According to Actual Conditions for 2007			
		ERDF	State Budget	Other Public Resources	Total
Area of support 4.1 Activities connected with the implementation and management of ROP	375 046 864	28 212 932	2 489 376	2 489 376	33 191 684
Area of support 4.2 Support to absorption capacity	375 046 864	6 155 579	543 139	543 1395	7 241 856

Source of data: ROP SE, exchange rate 1 EUR = 26.620 CZK

Total certified expenses in all priority axes equal zero.

Drawing Technical Assistance Resources in 2007

Technical Assistance resources are included in the budget of the Office of the Regional Council of the Cohesion Region South-East. The South Moravian and Vysocina regions can use the resources under both areas of support. However, no project application was submitted by the regions in 2007.

On 17 September 2007, the first continuous call for projects for Priority Axis 4 - Technical Assistance was announced. The Regional Council submitted two project applications. A two-year allocation of CZK 91.4 million was announced for both the areas of support under this continuous call.

AREA OF SUPPORT 4.1 ACTIVITIES CONNECTED WITH THE IMPLEMENTATION AND THE MANAGEMENT OF THE ROP

A project application containing the following costs was submitted for this area of support:

- The preparation and organisation of the meetings of the Regional Council Committee, the Monitoring Committee and other working groups, including the participation of experts and other entities at these meetings;
- The preparation, selection, valuation and monitoring of assistance and operations;
- The elaboration of studies, statistical materials, fit-for-purpose and implementation structures effectiveness analyses;
- The installation, operation and connection of PC systems for the management, monitoring, control and evaluation of the ROP SE operations.

During the first year of its work, the Office of the Regional Council, as the implementation agency, used resources to purchase a computer network and computer equipment worth CZK 2.3 million, office furniture and equipment worth CZK 0.9 million, a car fleet worth CZK 1.2 million and other expenses required for the proper functioning of the implementation agency.

Technical Assistance expenses were used to cover expert studies and analyses. An example of the use of resources is the elaboration of an analysis of the suitability and preparedness of internal processes for the efficient management of the operational programme's implementation process. The results of the study were used to optimise the operational processes of the Regional Council.

AREA OF SUPPORT 4.2 SUPPORT TO ABSORPTION CAPACITY

One project application was submitted under area of support 4.2 Support to absorption capacity. A single visual style of the ROP SE had to be created for the purpose of informing the public about the existence of the ROP South-East. A detailed graphical manual was prepared for use by both the employees of the implementation agency and the beneficiaries in communication activities under individual projects.

Financial resources were also spent to inform the public and potential applicants about the role of the Community and the opportunity to draw funds from the ROP SE. The resources were used to organise conferences, workshops, the Open Day and other communication activities.

The project also included publishing activities. An information brochure entitled “The Regional Operational Programme South-East” was distributed.

Another part of the project was the development of the www.jihovychod.cz information channel. The web site changed its graphics and now it provides updated information about the operational programme and the implementation agency.

An important part of the project is the internal training provided to the employees of the Office of the Regional Council. Employees get training in the areas of project management, communication and presentation skills and specialised workshops abroad.

The share of the Priority Axis Technical Assistance in the allocation of ROP SE resources from the ERDF for the entire programming period is 3.4%, i.e. EUR 23 951 152 out of EUR 704 445 636.

7 INFORMATION AND PUBLICITY

In the 2007–2013 programming period, the EU bodies have put increasing emphasis on communication and transparency during the implementation of European policies and the visibility of practical impact on citizens. This emphasis is integrated into legislative requirements of the implementation of expenditure programmes within the economic and social cohesion policy, reflecting the importance of communication at the regional and local levels in order to eliminate the “communication gap” between the European Union and its citizens.

The obligation to publicise operations and programmes co-financed from the Structural Funds and the Cohesion Fund is provided in Article 69 of the General Regulation. Article 69 sets only the actual obligation to provide information on and publicise operations and co-financed programmes, but also the main objective of their publicity, emphasising the role of the Community and the transparency of assistance provided from the funds.

The requirements of the implementation of a communication plan, the managing authority’s responsibility towards the public, applicants and beneficiaries, communication measures implemented, their technical elements and personal data processing are specified in Section 1 of the Implementation Regulation.

The Implementation Regulation provides a basic definition of the minimal content and the structure of the communication plan (Article 2), regulates the procedural aspects of its approval by the European Commission (Article 3), establishes cooperation between the managing authority and the monitoring committee (Article 4) to which information regarding the process of the CoP’s implementation, implemented information and publicity measures and applied communication tools are submitted in the form of reports on the operational programme implementation.

The Communication Plan of the ROP South-East was not submitted to the European Commission for approval in 2007, nevertheless, publicity activities were performed as provided in the Commission Regulation.

Information and publicity activities are focused to the following target groups:

I Communication target groups engaged in the implementation and monitoring of the ROP SE – a source of information about the ROP SE

- Managing Authority of the ROP SE – the Regional Council of the South-East Cohesion Region,
- Monitoring Committee of the ROP SE,
- the Regional Council Committee,
- Chairman of the Regional Council.

II Target groups distributing and intermediating information about the ROP SE

- The media,
- Economic and social partners,
- Project elaborators,
- EU information centres in the South-East Cohesion Region.

III Target groups including recipients of information about the ROP SE

- Potential applicants and beneficiaries:
 - Regions and municipalities of the South-East Cohesion Region and voluntary associations of municipalities,
 - Organisations established or founded by regions and municipalities,
 - Non-governmental non-profit organisations,
 - Business entities (SME),
 - Professional organisations,
 - Chamber of commerce and its bodies,
 - Interest groups of legal entities.

The general public of the SE region:

- Citizens of the South-East Cohesion Region (the South Moravian and the Vysocina Regions),
- Visitors to the region and tourists.

Measures Taken to Provide Information and Publicity in 2007

The Office of the Regional Council organised 4 conferences and 13 workshops for applicants, providing training to a total of 1 050 participants. The opening conference was held with the aim to inform potential applicants of the opportunities to draw funds from the ROP SE in the new programming period. Workshops were organised in particular before calls for individual projects were announced.

The Office of the Regional Council provided virtually continuous individual consulting, whether by telephone, e-mail or in the form of a personal consultation. According to the database of project intentions, a total of 527 telephone, e-mail and personal consultations were provided. The employees of the Office participated in approximately 20 educational and information events organised by other entities.

Prior to every call, advertisements were published in the local press. A total of 12 advertisements were published. In August 2007, a new website was launched containing all information related to the South-East Cohesion Region, www.jihovychod.cz. The website is regularly updated and since the very beginning it has been visited by those interested in drawing funds from the ROP and other operational programmes. The Office of the Regional Council also assisted with the Regional Council Committee meetings and the Monitoring Committee meetings.

The ROP SE continuously cooperates with the following institutions in order to engage them in information and publicity measures:

- The Regional Authority of the Vysocina Region,
- The Regional Authority of the South Moravian Region,
- Eurocentrum Brno (Jiří Mahen's Library),
- The Municipal Council of the City of Brno, Department of the European Funds Implementation,
- HOPE-E.S., a division of EUservis.cz – training and expert service media (TV, radio, press) – a database of approximately 180 items.

A list of all subsidy beneficiaries, including the names of operations and the amounts allocated to the operations from public resources, is found on the following website: <http://www.jihovychod.cz/cs/pro-prijemce/seznam-prijemcu>. A list of beneficiaries in 2007, including other obligatory data, is shown in tables No 18 and No 29.

Specific information about these measures and a list of activities is provided in the following table.

Table 31: **Information about Communication Activities Towards Potential Beneficiaries of the ROP SE in 2007**

Type of Communication Activity	Communication Tool	Name/Brief Description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
Standard information and publicity methods	Publication	ROP SE brochure and its updates	05/07–10/07	2 publications 4 000 brochures
	Methodical guidelines	Vademecum for applicants, instructions to tenderers, Publicity Rules, etc.	01/07–12/07	5 electronic publications
	Publicity objects	Pens, business cards, banners, note pads, calendars, diaries, folders, mugs, bags, badges, pouches with chocolate euro coins, T-shirts, etc.	03/07–12/07	17 kinds of publicity objects

Type of Communication Activity	Communication Tool	Name/Brief Description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
ICT	Websites	www.jihovychod.cz – a new graphic design, continuous updates, placement of updated documents, news, press releases, tenders and other texts, contacts, surveys, photographs, registration to events	08/07–12/07	500 registered users
	Electronic newsletter of the RC SE	Newsletter – distributed among registered users of the RC's website	12/07	
	Other	Intranet, web sites of working groups	01/07–12/07	
Mass media	Media publicity – TV, press, radio	Articles in press, information on radio and TV	01/07–12/07	236 media items
	Press release, PR articles, press conferences, cooperation with the media	Press releases	03/07–06/07	16 press releases published
		Press conference of the RC SE	03/07–12/07	2 press conferences of the RC
		Press conferences of the regions	09/07–12/07	4 press conferences of the regions
PROTEXT	Direct distribution via a Czech News Agency service (media, economic sphere, public administration)	03/07–12/07	5 pre-paid items of news	
Advertising	Open Day		05/07	MF Dnes
	Calls		09/07 12/07	3 ads
	Personnel ads		01/07–12/07	7 ads

Type of Communication Activity	Communication Tool	Name/Brief Description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
One-off information and publicity events	Educational events: seminars, workshops, etc.	Workshops for applicants	11/07	13 workshops 650 participants
	Conferences (main information events in 2007)	Opening conference for target groups (Jihlava + Brno)	05/07	2 conferences 400 participants
	Participation in educational events organised by other entities	Training	01/07-12/07	20 events
	Flying the EU flag for a week starting 9 May 2007	Obligation provided in the Commission Regulation	05/07	1 event
	Creation of a logotype of the ROP SE and an update of the graphic manual	Enhancement of the Corporate Identity of the RC and the ROP, supporting document for the Publicity Rules designated to beneficiaries	02/07 11/07	Published on the web site Distributed on CDs

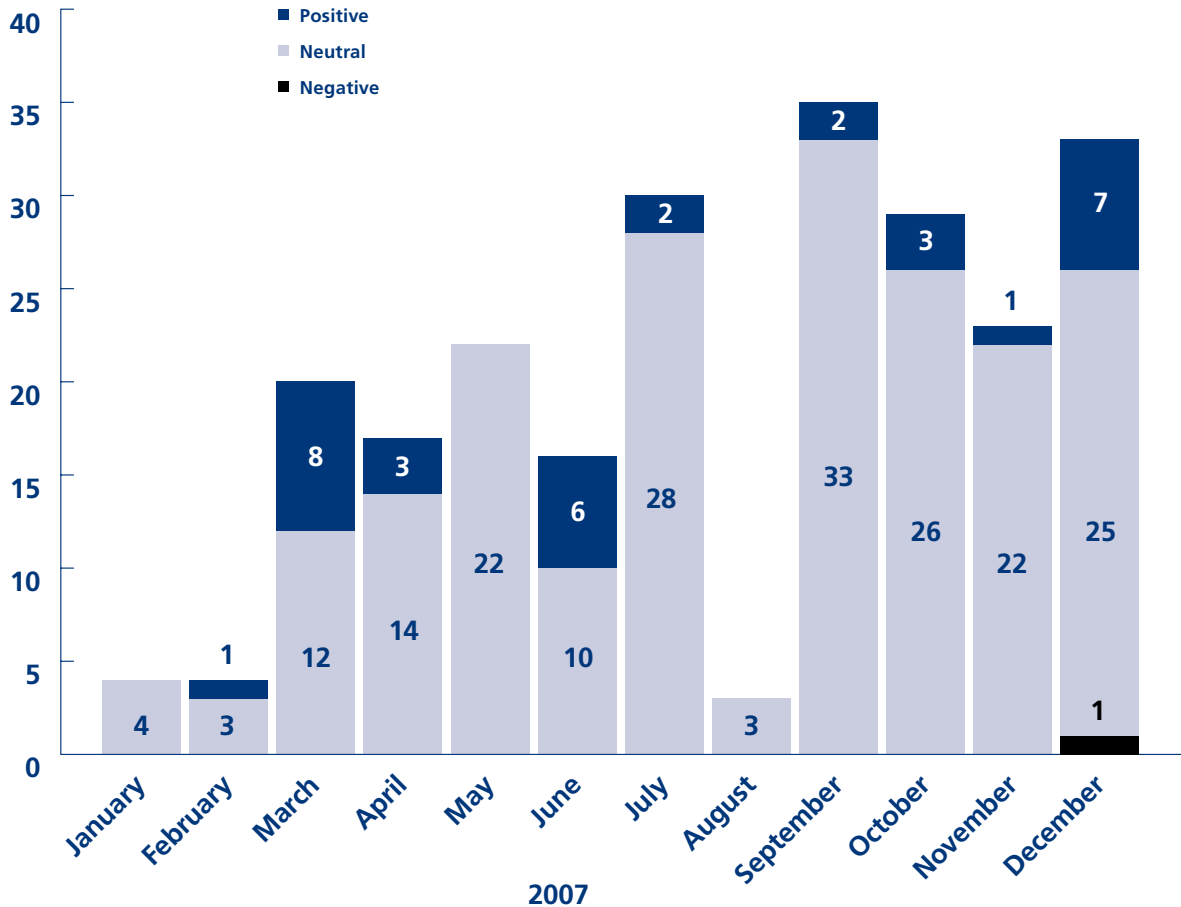
Source of data: Newton media

Media Analysis of the ROP SE

Czech media published a total of 236 contributions about the Regional Operational Programme South-East in 2007. The media coverage of the ROP SE fluctuated throughout the year; however, in spite of several cases of fluctuation it showed a growing trend. The most intensive media coverage was registered in July, September and December when 30 or more contributions were published per month. The smallest number of contributions was published in January, February and August.

As far as the emotional tone of the contributions is concerned, a neutral tone prevailed (202, i.e. 85.6%). 33 contributions (14%) presented the ROP SE positively. After considering the media impact, the percentage of positive contributions increases to 21.9%, which means the contributions were relatively more frequent in media with higher numbers of readers, listeners or viewers. The only negative contribution was a comment published in mid-December in the Jihlavské listy.

Graph 7: Media Coverage of the ROP SE According to the Emotional Tone



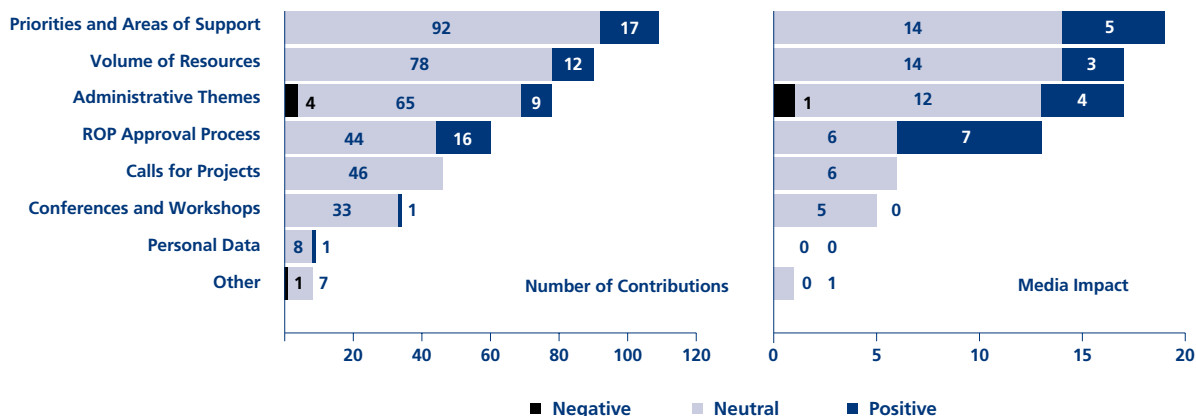
Source of data: Newton media

The most frequent topics were the priorities and areas of support which were mentioned in 109 contributions. Most of them informed the public about the topic in a neutral tone. Positive remarks about the ROP's priorities were registered mainly in regional politicians' statements and comments. The volume of financial resources was introduced in 90 contributions, 12 times in a positive tone.

The only topic that received negative comments was the administrative issues. Two contributions mentioned the uncertainty related to the financing of road repairs. Some specialised magazines criticised complicated administration related to the drawing of EU funds. On the other hand, nine contributions commented positively on this topic. Improvement compared to the previous period is seen due to the fact that the administration is provided by the regional councils.

The largest number of positive references was registered in connection with the process of the ROP's approval which accounts for more than one quarter of all media coverage. Measured by media impact, positive comments even slightly prevailed over neutral ones and represented the most favourably covered topic of the ROP SE. This is mainly due to the presentation of this issue in national dailies, on the radio and on television.

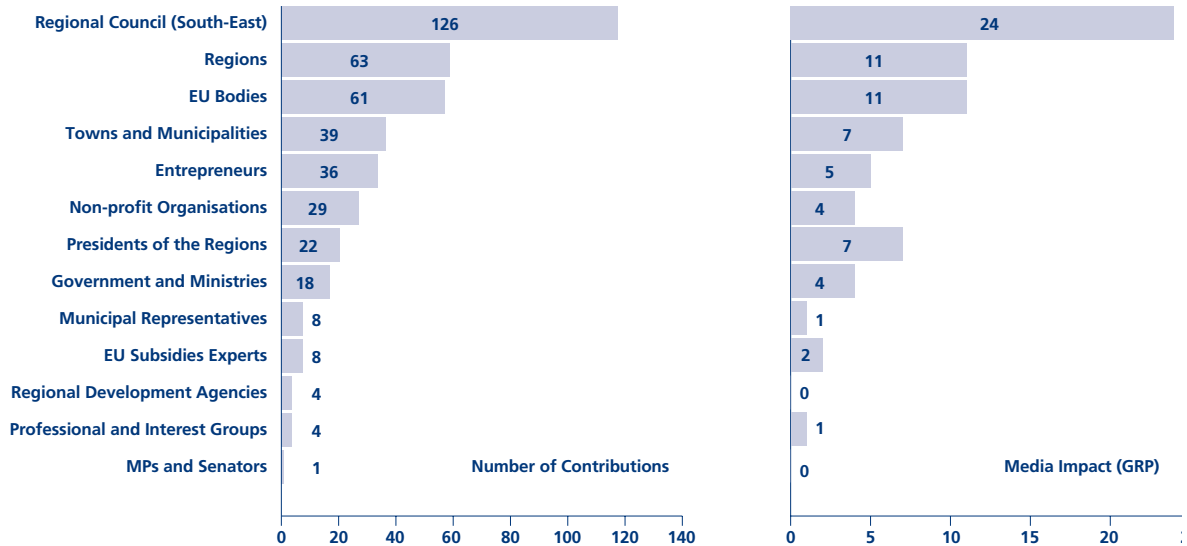
Graph 8: **Contributions by Topic**



Source of data: Newton media

The most frequently presented subject was the Regional Council of the South-East Cohesion Region which was mentioned in 126 contributions, i.e. in more than one half of the total contributions about the ROP SE. Approximately one quarter of the contributions was related to the ROP SE covered regions (63) and EU bodies (61).

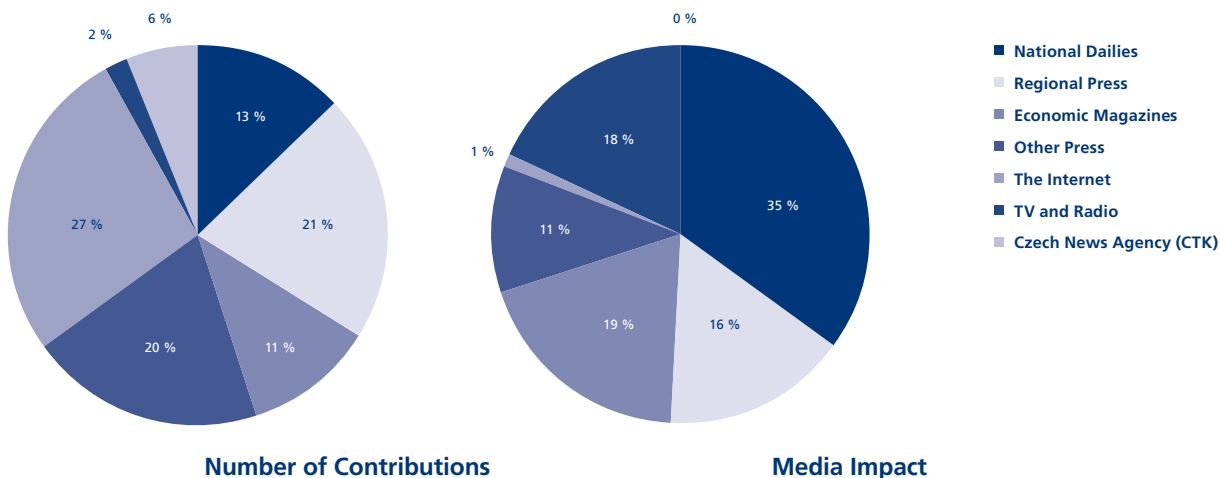
Graph 9: **Entities Mentioned in the Media in Relation to the ROP SE**



Source of data: Newton media

The media coverage of the ROP SE was relatively even throughout all media groups. Taking into account the number of contributions, the Internet represents the largest group (27%); however, the media impact of this group dropped to 1% as it concerned specialised titles with a limited number of readers.

Graph 10: **Media Informing the Public about the ROP SE**



Source of data: *Newton media*

Measured by media impact, the most powerful tool of the ROP SE’s media coverage were the national dailies (35%). The Advertising Value Equivalent, which shows the value of contributions published in the same advertising media, amounted to more than CZK 12 million, of which more than CZK 2.5 million were for contributions that presented the ROP SE in a positive light.



LIST OF ABBREVIATIONS

Abbreviation	Meaning
AMR SMR	Administration and Maintenance of Roads of the South Moravian Region
AA	Audit Authority
AR CR	Association of Regions of the Czech Republic
BENEFIT7+	Applicants' Information System
CCI	Operational Programme Reference Number
CF	Cohesion Fund
CH4	Methane
CHU	Central Harmonisation Unit
CNB	Czech National Bank
Coll.	Collection
Commission	European Commission
CoP	Communication Plan
CR	Czech Republic
CRC	Committee of the Regional Council of the South-East Cohesion Region
CRD	Centre for Regional Development
CSO	Czech Statistical Office
CTK	Czech News Agency
CZK	Czech crown
CZ-NACE 2	Industry classification of economic activities
DAMS MRD	Department of Administration of the Monitoring System
DG	Directorate General
EAFRD	European Agricultural Fund for Rural Development
EC	European Community
EFF	European Fisheries Fund
EIA	Environmental Impact Assessment
EIB	European Investment Bank
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
EUR	Euro
GCG	General Community guidelines
GDP	Gross domestic product

General Regulation	Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999
HT	Horizontal themes
ICT	Information and communication technology
ID	Implementing document
Implementation Regulation	Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund
IOP	Integrated Operational Programme
IS	Information System
ITS	Integrated Transport System
IUDP	Integrated Urban Development Plan
Km	Kilometre
Kt	Kilotonne
MA	Ministry of Agriculture
MA	Managing Authority
MC	Monitoring Committee
MCC	Management and Coordination Committee
ME	Ministry of the Environment
MF	Ministry of Finance
MH	Ministry of Health
mil.	Million
MoC	Ministry of Culture
MoLSA	Ministry of Labour and Social Affairs
MONIT7+	Monitoring Information System of the ROP SE
MRD	Ministry for Regional Development
MSC2007	Information System of the National Coordination Authority
MSSF	Monitoring System of the Structural Funds
MT	Ministry of Transport
NCA	National Coordination Authority
NCI	National Codebook of Indicators
NDP	Net domestic product

NDP	National Development Plan
NOx	Nitrogen oxides
NH3	Ammonia
NNO	Non-governmental Non-profit Organisations
NSRF	National Strategic Reference Framework
NUTS 2	Nomenclature of Territorial Units for Statistics
OM	Operational Manual
OP	Operational Programme
OP E	Operational Programme Environment
OP EC	Operational Programme Education for Competitiveness
OP EI	Operational Programme Enterprise and Innovation
OP HRE	Operational Programme Human Resources and Employment
OP T	Operational Programme Transport
OPC	Office for the Protection of Competition
ORC	Office of the Regional Council
PC	Press conference
PCA	Paying and Certifying Authority
PM10	An air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 micrometre
PPS	Purchasing Power Standards
PROTEXT	PR service of CTK
PwC	PricewaterhouseCoopers
RC	Regional Council of the Cohesion Region South-East
RDP	Rural Development Programme
ROP SE	Regional Operational Programme NUTS 2 South-East
SAIF	State Agricultural Intervention Fund
SB	State Budget
SF	Structural Funds
SME	Small and medium enterprises
SMR	South Moravian Region
SMR-ANNO	Association of Non-governmental Non-profit Organisations of the South Moravian Region
SO2	Sulphur dioxide
TA ROP	Technical Assistance of the Regional Operational Programme
TEN-T	The Trans-European Transport Network
TV	Television

UNESCO
VOC
VYS

United Nations Educational, Scientific and Cultural Organization
Volatile Organic Compounds
Vysocina Region

DEFINITION OF TERMS

Term	Definition
Convergence Objective	One of the three objectives of the economic and social cohesion policy (also known as the regional and structural policy); this objective supports the NUTS 2 regions that are at a lower level of economic efficiency than the EU average.
Implementation	Putting into practice, completion, execution
Absorption capacity	It expresses the region's ability to use resources provided from subsidy funds.
Consolidation	Stabilisation, reinforcement
Indicator	Indicators are usually used to evaluate the progress and fulfilment of objectives
Indifferent	Neutral
Synergic effects	The interaction of two or more agents or forces so that their combined effect is greater than the sum of their individual effects.
Pilot	Under the process of verification and testing
Innovative	Bringing new solutions
Brownfields	In the ROP SE they refer to land and buildings after agricultural or industrial production located in incorporated (urban) and unincorporated areas that are no longer used for their original purpose, are dilapidated or contaminated.
Demarcation line	A defined area of action without duplicities
Intervention	Controlled and target administrative influence or measure
Reporting	The act of providing reports, information
Precursor	A substance from which another substance is formed (especially by a chemical reaction).
Acceleration	Speeding up
Multiplication	The product of two numbers is computed.



ANNEXES

Annex No 1: Milestones of the ROP SE in 2007

Date	Event	Brief Description
1 July 2006	1 st meeting of the CRC, Velká Bíteš	Approval of the Rules of Procedure, election of the Chairman, contracts to subsidise the RC made with both the regions, approval of the budget of the RC and ORC, tender procedure for the position of the ORC's Director announced, preparation of the ROP SE documentation
11 September 2006	2 nd meeting of the CRC, Brno	Appointment of the ORC's director, changes in the organisational structure, preparation of the ROP SE documentation, division of allocations to priority axes
7 October 2006	3 rd meeting of the CRC, Velká Bíteš	Consulting of the ROP SE documentation under preparation
22 December 2006	4 th meeting of the CRC, Velká Bíteš	Budgetary outlook of the RC for 2007–2008 and the budget of the ORC for 2007
2007		
1 January 2007	Methodology of financial flows and the control of programmes co-financed from the Structural Funds, the Cohesion Fund and the European Fisheries Fund for the 2007–2013 programming period	Issued by the Ministry of Finance
1 January 2007	Updated methodology of the monitoring of EU Structural Funds and Cohesion Fund programmes for the 2007–2013 programming period	Issued by the Community Support Framework Department of the Ministry for Regional Development of the Czech Republic
31 January 2007	5 th meeting of the CRC, Brno	Preparation of the implementing documentation of the ROP SE, project evaluation system, preparation of the MC ROP SE, adjustment of the process of public tenders invited by the RC, report on hiring new employees

Date	Event	Brief Description
28 February 2007	Resolution of the Government of the Czech Republic No 178/2007	Resolution on the approval of the official submission of the National Strategic Reference Framework of the Czech Republic drawing resources from the EU Structural Funds, the Cohesion Fund in 2007–2013 and the operational programmes to the European Commission – this resolution also approved the Regional Operational Programme Central Moravia
19 March 2007	Resolution of the Government of the Czech Republic No 285/2007	Resolution on the establishment of the Government Committee for the Negotiation of the National Strategic Reference Framework and the composition of the negotiating team for the National Strategic Reference Framework
23 March 2007	Press conference	Presentation of the ROP SE and the Regional Council SE
30 April 2007	Updated methodology of the monitoring of EU Structural Funds and Cohesion Fund programmes for the 2007–2013 programming period	Issued by the Departments of European Funds of the Ministry for Regional Development of the Czech Republic
9 May 2007	Open Day	Presentation of the Office to potential applicants and the media
23 May 2007	6 th meeting of the CRC, Jihlava	Report on the course of negotiations with the Commission, consultations of the Implementing Document, approval of the MC ROP SE, Operational Manual, Vademecum for Applicants and Beneficiaries, approval of members of the negotiating team, IUDP methodology, closing account proposal for 2006
25 May 2007	Negotiations with European Commission representatives	The Common Position of the Managing Authorities of the Regional Operational Programmes was submitted to the representatives of the European Commission for preliminary comments

Date	Event	Brief Description
29 May 2007	ROP SE's conference in Jihlava – European Chance for the Region	Presentation of the ROP SE to potential applicants
30 May 2007	ROP SE's conference in Brno – European Chance for the Region	Presentation of the ROP SE to potential applicants
20 June 2007	7 th meeting of the CRC, Velká Bíteš	Approval of the ROP JV (version dated 20 June 2007), updated version of the Operational Manual
1 August 2007	Updated methodology of the monitoring of EU Structural Funds and Cohesion Fund programmes for the 2007–2013 programming period	Issued by the Monitoring System Administration Department of the Ministry for Regional Development of the Czech Republic
14 September 2007	1 st meeting of the MC ROP SE, Jihlava	Approval of the Statute, Rules of Procedure, Ethics Code, evaluation criteria for projects selection, Evaluation Plan and Technical Assistance Plan for 2007-2009
17 September 2007	8 th meeting of the CRC, Brno	Report on the current state of negotiations with the EC, compliance audit, absorption capacity, approval of the ROP SE documentation (programme document, Implementing Document, Operational Manual, Vademecum for Applicants and Beneficiaries, Publicity Rules), approval of the announcement of the first call (1.1, 4.1, 4.2) and approval of project intentions
17 September 2007	Updated methodology of the monitoring of EU Structural Funds and Cohesion Fund programmes for the 2007–2013 programming period	Issued by the Monitoring System Administration Department of the Ministry for Regional Development of the Czech Republic
5 – 29 November 2007	ROP SE's workshops	13 workshops for potential applicants providing practical information about the ROP SE
3 December 2007	The Regional Operational Programme approved	The European Commission approves the ROP SE
10 December 2007	2 nd meeting of the MC ROP SE, Brno	Consultation and approval of project evaluation criteria, the Evaluation Plan and the Technical Assistance Plan for 2008

Date	Event	Brief Description
11 December 2007	The Regional Operational Programme signed	The ROP officially ratified in the presence of the representatives of the European Commission and the regional operational programmes
12 December 2007	9 th meeting of the CRC, Jihlava	Current state of negotiations with the Commission, approval of project to be financed under the 1 st call for areas of support 1.1, 4.1, 4.2, announcement of calls for areas of support 1.2, 1.4, 2.1, 2.2, 3.2, 3.3, 3.4, the approval of the RC's 2009–2011 budgetary outlook and 2008 budget, a report on the employee structure of the ORC, a report on the database of external experts
12 December 2007	Press conference in Jihlava	Presentation of the ROP SE approval

Source of data: ORC SE's Intranet



Signing of the ROP South-East at a ceremony held on 11 December 2007, President of the Vysocina Region and Chairman of the Regional Council South-East Miloš Vystrčil and Deputy Director General for Regional Policy in DG REGIO Katarína Matherňová



A press conference of the Regional Council of the South-East Cohesion Region held on 28 March 2007 – (from the left) President of the South Moravian Region and member of the Regional Council Committee Stanislav Juránek, Director of the Office of the Regional Council Marta Sargánková, President of the Vysocina Region and Chairman of the Regional Council South-East Miloš Vystrčil



An ROP South-East conference held in Jihlava on 29 May 2007 – President of the Vysocina Region and Chairman of the Regional Council South-East Miloš Vystrčil and Director of the Office of the Regional Council South-East Marta Sargánková



An ROP South-East conference held in Jihlava on 29 May 2007



A ROP South-East conference held in Brno on 31 May 2007 – President of the South Moravian Region and a member of the Regional Council Committee Stanislav Juránek



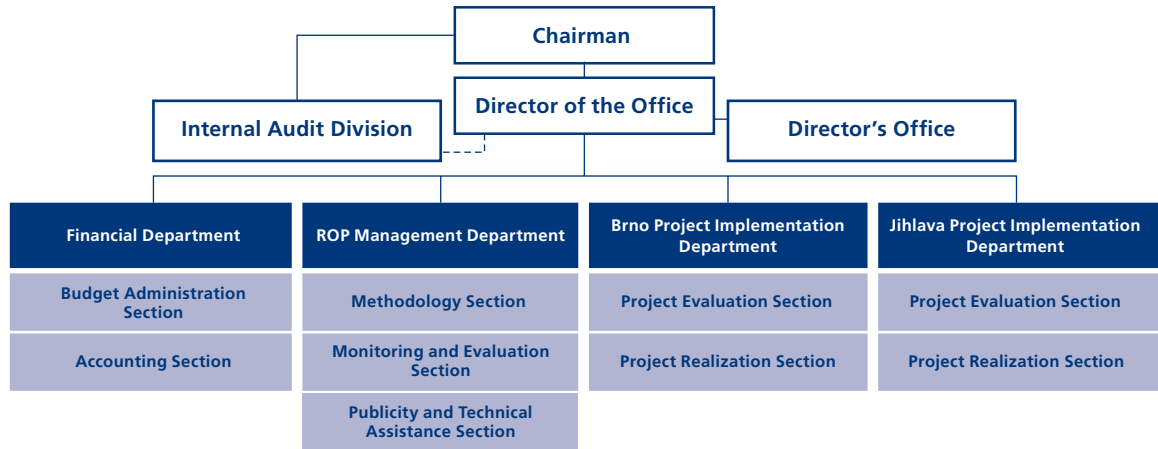
The submission of first projects of the ROP South-East on 8 October 2007 – (from the left) Jiří Frýdek from the Administration and Maintenance of the Roads of the South Moravian Region, Director of the Office of the Regional Council South-East Marta Sargánková, member of the Council of the South Moravian Region and member of the Regional Council Committee Jaroslav Pospíšil and Director of the Administration and Maintenance of the Roads of the South Moravian Region Jan Zouhar



A press conference of the Regional Council of the South-East Cohesion Region held on 28 March 2007 – Director of the Office of the Regional Council South-East Marta Sargánková talking to journalists



Annex No 2: **Organisational Structure of the ORC SE**



Total: 39 employees

Annex No 3: **Planned Volumes, Dates of Calls for 2008 and Amounts Allocated under the Priority Axes of the ROP SE (CZK)**

Priority / Area of Support		Share in Allocation	Total Allocation	Calls		Date of Announcement	Announced in Total
				EU + SB (CZK)	Announced		
1	Transport Accessibility	49.00%	9 909 258 589	2 407 632 432	1 612 000 000		40.56%
1.1	Transport infrastructure development in the cohesin region	36.25%	7 330 829 049	1 949 632 432	196 000 000	5 May 2008	29.27%
1.2	Transport services and public transport development	3.55%	999 296 142	258 000 000	136 000 000	5 May 2008	39.43%
1.3	Public transport rail rolling stock renovation	5.26%	1 063 447 484	0	1 017 000 000	5 May 2008 1 September 2008	95.63%
1.4	Unpowered transport infrastructure development	2.55%	515 685 914	200 000 000	263 000 000	5 May 2008 1 September 2008	89.78%
2	Development of Sustainable Tourism	19.00%	3 842 365 547	545 000 000	1 050 000 000		41.51%
2.1	Development of infrastructure for tourism	16.15%	3 266 010 729	435 000 000	893 000 000	5 May 2008	40.66%
2.2	Development of services in tourism	2.85%	576 354 818	110 000 000	157 000 000	5 May 2008	46.33%

Priority / Area of Support		Share in Allocation	Total Allocation	Calls		Date of Announcement	Announced in Total
				EU + SB (CZK)	Announced		
3	Sustainable Development of Towns and Rural Areas	28.60%	5 783 771 336	1 590 000 000	2 549 000 000		71.56%
3.1	Development of urbanisation centres	11.57%	2 340 000 617	0	1 200 000 000	5 May 2008	51.28%
3.2	Development of regional centres	7.09%	1 433 592 632	570 000 000	588 000 000	1 August 2008	80.78%
3.3	Development and stabilisation of rural areas	5.41%	1 094 683 902	270 000 000	449 000 000	1 August 2008	65.68%
3.4	Public services of regional significance	4.53%	915 494 185	750 000 000	312 000 000	5 May 2008	116.00%
4	Technical Assistance	3.40%	687 581 218	182 862 080	0		26.59%
4.1	Activities connected with the implementation and management of the ROP	1.70%	343 790 609	91 431 040	0		26.59%
4.2	Support to absorption capacity	1.70%	343 790 609	91 431 040	0		26.59%
TOTAL	ROP SE	100.00%	20 222 976 690	4 725 494 512	5 211 000 000		49.13%

Note: The exchange rate is 1 EUR = CZK 26.38 CZK; the amounts are provided in CZK for ERDF (85%) and SB (7.5%), i.e. in the way they were or will be announced in calls.



The Regional Council Committee



Miloš Vystrčil

Chairman of the Regional Council Sout-East and President of the Vysocina Region



Václav Kodet

First Deputy President



Marie Černá

Deputy President



Pavel Hájek

Deputy President



Miroslav Houška

Member of the Vysocina Regional Council



Martina Matějková

Member of the Vysocina Regional Council



Vladimír Novotný

Member of the Vysocina Regional Council



Jiří Vlach

Member of the Vysocina Regional Council



Stanislav Juránek

The Governor of the South Moravian Region



Milan Venclík

First Deputy Governor



Václav Horák

Deputy Governor



Jaroslav Pospíšil

Member of the Board of the South Moravian Region



František Adamec

Member of the Board of the South Moravian Region



Jiří Kadrnka

Member of the South Moravian Regional Council



Václav Božek, CSc.

Member of the South Moravian Regional Council



Stanislav Navrkal

Member of the South Moravian Regional Council

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FINAL COMMENTS ON THE ANNUAL REPORT 2007 OF THE REGIONAL COUNCIL OF THE SOUTH-EAST COHESION REGION



Marta Sargánková
Director of the Office of the Regional Council of the South-East Cohesion Region

Dear Ladies and Gentlemen,

You are holding the Annual Report for 2007, a year which was challenging and eventful, full of milestones and achievements important for the next seven years of the South-East Cohesion Region's development. It is an opportunity for the South Moravian and Vysocina Regions that may never happen again.

2007 was marked by the preparation of a subsidy system, negotiations with the European Union, the development of a high-quality staff within the Regional Council, and last but not least, communication with the public about the unique chance the Regional Operational Programme brings. I personally believe that the greatest achievements were the forming of a successful audit system and the building of a perfect team of employees whose professionalism and commitment guarantee the programme's successful management and efficient use of European funds. I would also like to emphasise the excellent background and support of both the regional authorities headed by their presidents and Council members, who approach the programme with a great deal of responsibility and personal engagement.

2007 was particularly significant for the Office of the Regional Council with respect to the setting-up of a stable Regional Operational Programme management system. We therefore believe that in the future, the programme will help select and implement quality projects that will further advance the South-East Cohesion Region.

Annual Report 2007

Published by the Regional Council of the South-East Cohesion Region with the support of the European Union – the European Regional Development Fund

Photographs: Vojtěch V. Sláma

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