



Regionální operační program Jihovýchod

The 2008 Annual Report

TABLE OF CONTENTS

Table of Contents.....	2
Foreword	5
1 Identification of the Operational Programme.....	10
1.1 A brief description of the Regional Operational Programme NUTS 2 South-East	10
1.2 Priority Axis 1 “Transport Accessibility”	11
1.3 Priority Axis 2 “The Development of Sustainable Tourism”	12
1.4 Priority Axis 3 “Sustainable Development of Towns and Rural Areas”	12
1.5 Priority Axis 4 “Technical Assistance”	13
1.6 Core and Implementation Documents of the ROP SE – Relevant Documents	14
1.7 Assigning Competencies between the Managing Authority and the Intermediate Bodies	14
1.8 A Description of the Region	14
2 An overview of the implementation of THE OPERATIONAL Programme.....	16
2.1 Achieved progress and its analysis.....	16
2.1.A Information on the physical progress of the Operational Programme	16
2.1. B Financial data	31
2.1. C Breakdown of Use of the Funds.....	38
2.1. D Assistance by Target Groups	48
2.1. E Assistance Repaid or Re-used.....	49
2.1. F Qualitative Analysis.....	50

2.2	Information about Compliance with Community Law	58
2.3	Significant Problems and Measures Taken to Overcome Them.....	59
2.4	Changes in the Operational Programme Implementation.....	60
2.5	Substantial Modifications	65
2.6	Complementarity with Other Instruments.....	65
2.6.1	Coordination of Assistance on the National Strategic Reference Framework (NSRF).....	66
2.6.2	Coordination of the ROP SE with ERDF Operational Programmes.....	67
2.6.3	Coordination of the ROP SE with Operational Programmes Funded from the EAFRD and EFF .	69
2.6.4	Use of innovative financial instruments.....	70
2.7	Monitoring Arrangements	70
2.8	Potential national performance reserve	73
3	Implementation by Priority Axis	74
3.1	Priority Axis 1	74
3.1.1	Achievement of Targets and Analysis of the Progress.....	74
3.1.2	Significant Problems Encountered and Measures Taken to Overcome Them.....	85
3.2	Priority Axis 2	86
3.2.1	Achievement of Targets and Analysis of the Progress.....	86
3.2.2	Significant Problems and Measures Taken to Overcome Them.....	94
3.3	Priority Axis 3	95
3.3.1	Achievement of Targets and Analysis of the Progress.....	95
3.3.2	Significant Problems and Measures Taken to Overcome Them.....	109
3.4	Priority Axis 4 ‘Technical Assistance’	110
3.4.1	Achievement of Targets and Analysis of the Progress.....	110
3.4.2	Significant Problems and Measures Taken to Overcome Them.....	113

4	ESF PROGRAMMES: Coherence and Concentration	114
5	ERDF/CF Programmes	115
6	Technical Assistance	116
6.1	Area of support 4.1 – Activities connected with the implementation and management of the ROP 119	
6.2	Area of support 4.2 ‘Support for absorption capacity’	120
7	Information and Publicity.....	125
7.1	Measures taken to Provide Information and Publicity in 2008.....	126
7.2	Media Analysis of the ROP SE in 2008.....	135
8	Miscellaneous, transfer of know-how and proven procedures	143
	List of Abbreviations	144
	Definitions of Terms	147
	List of Tables, Illustrations and Graphs	148

FOREWORD

The 2007 Annual Report of the Regional Council of the Cohesion Region –South-East

DEAR FRIENDS,

You are holding the 2008 Annual Report of the South-East Cohesion Region, reviewing the work of the cohesion region and its Regional Council.

Despite the fact that the political map of the Czech Republic changed last autumn at the regional level, we are able to see clear continuity as European topics and projects remain a priority for the new political representatives of the South Moravia and Vysočina regions. Each of us, regardless of his or her political affinity, is pleased that the South-East Cohesion Region is one of the most successful in the Czech Republic in terms of drawing EU funds for high-quality projects.

I would like to thank all representatives of the Regional Council of the South-East Cohesion Region and office employees for their hard work. The following pages provide a number of concrete figures and statistics documenting what was successfully accomplished in 2008. I would like to highlight three basic facts – 875 projects totalling CZK 15.2 billion were registered through the application process last year; 273 projects were recommended for financing with approved subsidies amounting to CZK 6.1 billion. CZK 351 million was paid to aid beneficiaries, especially for transportation projects.

I am convinced that this trend will continue.

Mgr. Michal Hašek, Chair of the Regional Council of the South-East Cohesion Region

Dear readers, those interested in the regional support-related matters,

2008 was the first year of implementation of the Regional Operational Programme (ROP) South-East. While 2007 was the year of negotiation with the European Commission about the form of the programme, throughout 2008, the Regional Council evaluated and approved subsidies for its first projects included in the Regional Operational Programme NUTS 2 South-East. It was not at all easy. In 2008, the Office registered 875 projects applying for subsidies totalling CZK 15 billion. We are happy to say that the South-East region has project potential and applicants enthusiastic enough to start subsidised projects, which is a prerequisite of the subsidy policy. On the other hand, subsidies were approved only for the best quality projects, and only 30 percent of the applicants were successful. The Regional Council disposed of an amount equal to 40 percent of all applications for subsidies. I am convinced that the evaluation of the projects was transparent and that subsidies were awarded to important and necessary projects that will further develop our region. In 2008, subsidies from the ROP South-East funds equal to more than CZK 2.5 billion were awarded to almost one hundred projects to be implemented in the Vysočina Region.

The Vysočina Regional Authority is working towards constructing a safe and high quality transport infrastructure, an essential tool for developing a competitive region. In 2008, six projects for modernising roads (Class II and III) were awarded subsidies equalling CZK 757 million: regional border roads – Pelhřimov, Brtnice – Zašovice; bypasses for Bohdalov and Oslavičky; and the bridge in Stropešín. New cycling routes were built in Hamry nad Sázavou, Jihlava, between Dolní and Horní Krupá and in Ždírec nad Doubravou.

Obtaining subsidies for regional hospitals was a very important milestone for the Vysočina Region. This means that great attention was paid to improving medical care through the development and renovation of healthcare facilities and the purchase of new medical equipment. A majority of the expenditure (60 percent) was paid from the budget of the Vysočina Region, while nearly CZK 500 million was by subsidies from the ROP South-East. As a result, the Třebíč Hospital and Obstetrics Centre is being developed; the Havlíčkův Brod Hospital is being renovated and the Internal Medicine Building will purchase new medical instruments and equipment; the Pelhřimov Hospital is being renovated and is purchasing new beds and the hospital will be equipped with modern equipment. A new Internal Medicine Centre is being built at the Nové Město na Moravě Hospital.

The main priority of the development of municipalities in the Vysočina Region is improving the quality of life through subsidies designed for sports and cultural activities, open spaces and educational facilities. Of the projects submitted by the municipalities, the most successful are projects aimed at educational facilities. This includes, for example, the replacement of the equipment in basic schools in Telč. The renovation of the Basic School of Arts in Hrotovice will improve not only the quality of education but also the cultural and social life in the Hrotovice region. Projects focused on sports and cultural venues are successful too. The town of Bystřice nad Pernštejnem has been renovating its athletics stadium; Havlíčkův Brod has been constructing the Plovárenská Sports Centre; numerous municipalities are developing new sports grounds and gyms. Osová Bítýška will have a new multi-purpose centre for culture, sports and leisure time activities; in Velké Losenice, the library will be completed with an Internet centre.

The ROP South-East funds contribute to the restoration of historical parts of towns and the renovation of public open spaces. Subsidies were approved for projects for the restoration of the open space in Humpolec; new children's playgrounds have been established in Velké Meziříčí, Měřín, Pelhřimov and Havlíčkův Brod.

Projects for developing and modernising facilities used for social-service work are also supported by ROP South-East subsidies. For example, a prevention and assistance centre named "Střed" is being developed in Moravské Budějovice; other projects include the "Domov" at the castle in Myslibořice, the "Mahenka" (a social-service centre) in Jihlava, etc.

In the area of tourism, presentation of the history of the Vysočina region, its beautiful nature and a healthy environment are emphasised. The ROP South-East supports projects aimed at making cultural heritage places and attractive tourist destinations accessible and available to the public. The regional project "Welcome to the Vysočina Region" was awarded a subsidy in order to develop and improve the quality of marketing and promotional-related services within the Vysočina Region. Other interesting tourism projects supported by subsidies from the ROP South-East include, for example, Lipky in Telč, Zubštejn Castle and Skalský Mlýn mill, and projects aimed at promoting Gustav Mahler (Gustav Mahler Park, Get to Know Gustav Mahler), etc.

In just the first year of the implementation of supported projects, the financial assistance from the Regional Operational Programme NUTS 2 South-East is easily visible in projects throughout the whole region, not only Vysočina.

MUDr. Jiří Běhounek, Vice-chair of the Regional Council of the South-East Cohesion Region

Executive Summary

With regard to the Annual Report's completeness, for the purposes of the European Commission, the Annual Report is the most significant source of information about the implemented investments. The information provided in the Annual Report may induce a discussion between the Managing Authority and the Commission about the inclusion of specific national, regional or local needs into the Operational Programme – hence develop and improve general performance of the structural funds and the Cohesion Fund. Mainly for this reason, the ROP SE Managing Authority pay utmost attention to the Annual Reports. In addition, Annual Reports enable monitoring committees to conduct an annual “inspection” of their operational programmes. The Annual Report is not only the main source of information, but a key instrument for the Operational Programme's control and management. The Annual Report on the implementation of the Programme is prepared by the Operational Programme Managing Authority. After approval by the Monitoring Committee, the Report is submitted to the Commission. A copy of the approved final Annual Report is sent to PCO and AO (and to the NCA as well).

The legislative framework of the Annual Report on the implementation of the Operational Programme is provided by Article 67 of Regulation 1083/2006. The responsibility for developing the Annual Report lies on the Operational Programme Managing Authority. For the specific requirements of the contents of the Annual Report, refer to Annex XVIII to Regulation 1828/2006. If the above-specified information is incorporated into the Report and described in relevant detail, the EC shall declare the Annual Report admissible. Pursuant to Article 67 of Regulation 1083/2006, the Annual Report for the previous year must be sent to the Commission before 30 June of the following year, beginning with 2008. The Commission shall notify the member state of the admissibility of the Annual Report within ten working days from the date of service. Opinions on the contents of the admissible Annual Report on the implementation will be provided by the Commission to the member state within two months from the date of service. Should the Commission not express their opinion on the Report in time, the Annual Report will be considered “admissible”.

The contents of the Annual Report on the implementation of the ROP SE mainly includes information on the physical and financial advancement of the Programme, a qualitative evaluation by Priority Axis, data needed for evaluating its contribution to the Lisbon process, evaluating and describing the connections within the implementation of the ROP SE, including the connections to other operational programmes being implemented in the CR with EU co-financing.

The general evaluation of the implementation of the ROP SE by the Annual Report for 2008 is positive. Based on the evaluation of individual calls, it can be said that the absorption capacity in the target region is satisfactory. Under all priority axes of the ROP SE, project applications have been successfully

accepted and projects were commenced in all priority axes. The physical and financial progress during the implementation of the Programme has been very good. The interest shown in the support of projects in each area of support is higher than the volume of financial allocation within the calls; therefore, it is necessary to select projects that correspond to the targets of the Programme and best fulfil the qualitative criteria applied to project evaluations.

Progress of implementation of ROP SE - summary

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>
1	406 092 191	86	149 477 093	8	35	60 164 672	43	79 434 440	16 552 214	5 865 756
2	157 464 317	307	125 056 939	178	72	35 749 162	57	20 205 645	2 383 209	156 688
3	237 025 238	473	313 031 992	146	250	158 126 571	77	48 135 910	4 562 703	-
4	28 177 826	9	26 993 527	1	-	-	8	25 049 624	4 870 957	4 161 042

Source: IS MONIT7+

Notes:

Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

* Public subsidy funds (the Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

** Out of approved/implemented projects

*** Percentage of submitted projects

The most significant progress has been seen in Priority Axis 1 (Transport Accessibility). Altogether, under Priority Axis 1, 43 projects were approved, valued at (total) EUR 79 434 440 (including public funds, i.e. Community contribution and Regional Council subsidies with participation of the state budget and the regional budget). Under Priority Axis 1, the registered applications for support applied for equalled EUR 16 552 214 and the related payments equalled (total) EUR 5 865 756.

From the view of achievement the monitoring indicators, the most physical progress has been seen in Priority Axis 2 (The Development of Sustainable Tourism). The projects implemented during 2008 greatly contributed to achieving target values in numerous indicators. In addition, under Priority Axis 2, additional qualitative development was achieved within the intended preparation of several strategic tourism projects that are to be implemented in 2010. Altogether, under Priority Axis 2, 57 projects were approved, valued at (total) EUR 20 205 645 (including public funds, i.e. Community contribution and the Regional Council subsidies, with participation of the state budget and the regional budget). Under Priority Axis 2, the registered applications for support applied for equalled EUR 2 383 209 and the related payments equalled (total) EUR 156 688.

The greatest number of approved projects are within the area of interventions under Priority Axis 3 (The Sustainable Development of Towns and Rural Areas). Altogether, under Priority Axis 3, 77 projects were approved, valued at (total) EUR 48 135 910 (including public funds, i.e. Community contribution and the Regional Council subsidies, with participation of the state budget and the regional budget). Under Priority Axis 3, the registered applications for support applied for equalled EUR 4 562 703. Under Priority Axis 3, within area of support 3.1 (Development of urbanization centres); projects are based on Integrated Town Development Plans (ITDP). Since the preparation is rather comprehensive, no projects were approved in this area of support in 2008. More considerable physical and financial progress in area of support 3.1 is anticipated between 2009 and 2010.

Priority Axis 4 (Technical Assistance) is designed to ensure activities related to the Programme's implementation. Altogether, in the area of support provided for the Programme's implementation processes, 8 projects were approved equalling (total) EUR 25 049 624 (including public funds, i.e. Community contribution and subsidies granted by the Regional Council, with participation of the state budget and the regional budget). Under Priority Axis 4, the registered applications applied for subsidies equalling EUR 4 870 957 and the related payments were equal to (total) EUR 1 319 013.

The implementation of the ROP SE is provided by the Regional Council of the Cohesion Region South-East (that is the Managing Authority of the ROP SE). The implementation of the Programme is mostly provided by the Office of the Regional Council South-East. During the implementation of the Programme, great attention is paid to those areas of intervention in which the ROP SE has achieved only average or below average results (compared to most successful areas supported from the ROP SE). These areas need more comprehensive preparation for those projects that are connected with large investments in the region's transport infrastructure and in unpowered transport infrastructure, as well as those projects that deal with the development of urbanization centres. However, as the preparation of these large investments had begun early and they are far along in the process, it is reasonable to assert that considerable progress will be made over the following period.

All financial values shown in the Tables included in the Annual Report on the implementation of the ROP SE are stated in EUR (€) unless otherwise specified. Complementary tables (i.e. the tables generated beyond the obligatory scope defined by Regulation 1828/2006) may be, if reasonable, expressed in CZK.

1 IDENTIFICATION OF THE OPERATIONAL PROGRAMME

Table 1: Identification data of the ROP SE

OPERATIONAL PROGRAMME	Objective concerned	Convergence
	Eligible area concerned	CZ06
	Programming period	2007–2013
	Programme the number (CCI)	2007CZ161PO001
	Programme title	Regional Operational Programme NUTS 2 South-East
ANNUAL IMPLEMENTATION REPORT	Reporting year	2008
	Date of approval of the Annual Report by the Monitoring Committee	5 June 2009

Source: Office of the Regional Council South-East

1.1 A brief description of the Regional Operational Programme NUTS 2 South-East

The objective of the Regional Operational Programme NUTS 2 South-East (hereinafter “ROP SE”) is to enhance the competitive capacity of the region by creating conditions for the effective use of the South East Cohesion Region’s development potential. Because of the programme principles approved by the European Commission, the objective may be achieved through comprehensive improvement of transport accessibility and the connection of development poles within the region to more developed areas. It will also be achieved through improving the standard of living in towns and rural areas. These measures will be implemented in compliance with sustainable development principles and will mainly result in better use of the region’s potential in the areas of tourism, the further development of towns, and stabilisation of the rural population.

Altogether, the total amount of allocation for the Regional Operational Programme NUTS 2 South-East from public funds equals EUR 828 759 572, of which EUR 704 445 636 is by Community contribution.

The Regional Operational Programme NUTS 2 South-East is implemented under four priority axes:

1 “Transport Accessibility”, 2 “The Development of Sustainable Tourism”, 3 “Sustainable Development of Towns and Rural Areas” and 4 “Technical Assistance”. For each axis, there are specific areas of support in which the beneficiary may apply for support from the ROP SE.

1.2 Priority Axis 1 “Transport Accessibility”

The main objective of Priority Axis 1 “Transport Accessibility” is the improvement of transport accessibility, transport services and public transport development within the areas incorporated in the cohesion region South-East. This improvement shall comply with the principles of sustainable development. Specific objectives are: connecting the cohesion region to the hyper-regional transport network TEN-T; improving the public transport system with emphasis placed on support of environmentally friendly means of public transport; developing a complex network of safe cycling trails and routes; and providing greater safety for pedestrians in urbanised environment.

The above defined objectives are being achieved under four areas of support:

- Transport infrastructure development in the cohesion region, with a total allocation of public funds equalling EUR 300 425 343, of which EUR 255 361 543 is a Community contribution (i.e. 36.3% of the total ROP SE allocation);
- Transport services and public transport development, with a total allocation of public funds equalling EUR 40 952 244, of which EUR 34 809 407 is a Community contribution (i.e. 4.9% of the total ROP SE allocation);
- Public transport rail rolling stock renovation, with a total allocation of public funds equalling EUR 43 581 233, of which EUR 37 044 048 is a Community contribution (i.e. 5.3% of the total ROP SE allocation);
- Unpowered transport infrastructure development, with a total allocation of public funds equalling EUR 21 133 369, of which EUR 17 963 364 is a Community contribution (i.e. 2.6% of the total ROP SE allocation).

Altogether for Priority Axis 1 “Transport Accessibility”, an allocation of EUR 406 092 189 was anticipated from public funds, of which EUR 345 178 362 is a Community contribution (approximately 49% of the total ROP SE allocation).

The support is aimed at the development and renovation of Class II and III roads, public transport terminals, the purchase of ecologically-friendly public means of transport, vehicles for terminals, vehicles for suburban regional transport, cycling trail development and the construction and purchase of measures designed for the blind.

Possible beneficiaries of the support for this Priority Axis are the regional authority and any organisations administered by the regional authority.

1.3 Priority Axis 2 “The Development of Sustainable Tourism”

The objective of Priority Axis 2 “The Development of Sustainable Tourism” is: improving the conditions for developing tourism in the region through supporting the development of the infrastructure and technical background for expanding sustainable tourism in the region; coordinating development activities, marketing and human resources.

The objective is being achieved in two areas of support:

- 2.1 Development of infrastructure for tourism, with a total allocation of public funds equalling EUR 133 844 669, of which EUR 113 767 969 is a Community contribution (i.e. 16.2% of the total ROP SE allocation);
- 2.1 Development of services in tourism, with a total allocation of public funds equalling EUR 23 619 648, of which EUR 20 076 701 is a Community contribution (i.e. 2.9 % of the total ROP SE allocation).

Altogether, Priority Axis 2 “The Development of Sustainable Tourism” has an allocation equalling EUR 157 464 317 anticipated from public funds, of which EUR 133 844 670 is a Community contribution. This is approximately 19% of the total ROP SE allocation.

The support may be aimed at the development and technical valuation of spa and congress centres, recreational facilities, tourist information centres, access to cultural sights, etc. The support is designed for the development of accommodation and catering facilities, cycling trail marking, the development of hippo-trails and other activities as well.

Likely beneficiaries include municipalities, unions of municipalities and their organisations, regional authorities and legal entities with the participation of self-government representatives and small and medium-sized entrepreneurs.

1.4 Priority Axis 3 “Sustainable Development of Towns and Rural Areas”

The main objective of Priority Axis 3 “Sustainable Development of Towns and Rural Areas” is the systematic improvement of the region’s competitive capacity through enhancement of the town development potential and stabilisation of the population in rural areas. Specific objectives include: development of socio-economic functions of urbanization centres as accelerators of the growth and development in the region; the development of regional centres; the sustainable development and stabilisation of rural areas and improving their attractiveness for living and generally improving the quality of life in the region.

The above-mentioned objectives are being achieved in four areas of support:

- 3.1 “Development of urbanization centres”, with a total allocation of public funds equalling EUR 95 895 769, of which EUR 81 511 404 is a Community contribution (i.e. 11.6% of the total ROP SE allocation);
- 3.2 “Development of regional centres”, with a total allocation of public funds equalling EUR 58 750 185 , of which EUR 49 937 657 is a Community contribution (i.e. 7.1% of the total ROP SE allocation);
- 3.3 “Development and stabilisation of rural areas”, with a total allocation of public funds equalling EUR 44 861 338, of which EUR 38 132 137 is a Community contribution (i.e. 5.4% of the total ROP SE allocation);
- 3.4 “Public services of regional significance”, with a total allocation of public funds equalling EUR 37 517 946, of which EUR 31 890 254 is a Community contribution (i.e. 4.5% of the total ROP SE allocation).

Altogether, Priority Axis 3 “Sustainable Development of Towns and Rural Areas” has an allocation equalling EUR 237 025 238 anticipated from public funds, of which EUR 201 471 452 is a Community contribution. This is approximately 28.6% of the total ROP SE allocation.

The support is aimed at the renovation of dilapidated and unused buildings and areas in municipalities, renovations of squares, children’s playgrounds and green escapes, the development and technical valuation of schools, medical facilities, non-profit social institutions, cultural institutions and facilities designed for associations, clubs, civic initiatives, etc., and the development of local data networks designed for the public (support provided).

Likely beneficiaries are defined municipalities and their organisations, unions of municipalities, legal entities with the participation of self-government representatives, small and medium-sized entrepreneurs, non-government non-profit organisations, educational institutions and regional authorities.

1.5 Priority Axis 4 “Technical Assistance”

The main objective of Priority Axis 4 “Technical Assistance” is to provide activities that support the effective control, management, monitoring and evaluation of the implementation of the Regional Operational Programme NUTS 2 South-East, develop activities connected with its promotion and providing information about the Programme, and enhance the region’s absorption capacity.

The objective is being achieved in two areas of support:

- 4.1 “Activities connected with the implementation and management of the ROP”, with a total allocation of public funds equalling EUR 21 133 362, of which EUR 17 963 364 is a Community contribution (i.e. 2.6% of the total ROP SE allocation);
- 4.2 “Support for absorption capacity”, with a total allocation of public funds equalling EUR 7 044 459, of which EUR 5 987 788 is a Community contribution (i.e. 0.9% of the total ROP SE allocation).

Altogether, Priority Axis 4 “Technical Assistance” has an allocation equalling EUR 28 177 826 anticipated from public funds, of which EUR 23 951 152 is a Community contribution. This is approximately 3.4% of the total ROP SE allocation.

Likely beneficiaries are the Regional Council of the NUTS 2 South-East and regional authorities.

1.6 Core and Implementation Documents of the ROP SE – Relevant Documents

The Regional Operational Programme South-East corresponds with the Community Strategic Guidelines on Cohesion of 6 October 2006 that sets out a general framework for the intervention of the European Regional Development Fund, the European Social Fund and the Cohesion Fund in EU Member States.

At the European level, one of the most significant documents that is relevant for the ROP SE is 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.

At the national level, fundamental documents are the National Development Plan of the Czech Republic for the 2007-2013 period defining the development strategy for this period, followed by the National Strategic Reference Framework as the core programme document of the Czech Republic for use of EU funds for the 2007-2013 programming period.

At the Programme level, the most significant relevant documents are the programme document of the Regional Operational Programme NUTS 2 South-East 2007-2013 defining the orientation and the objectives of the Programme, and the implementation documentation of the Programme.

1.7 Assigning Competencies between the Managing Authority and the Intermediate Bodies

The Regional Council of the cohesion region South-East as the Managing Authority has no Intermediate Bodies. Hence, the Regional Council is fully responsible for implementing the Operational Programme.

1.8 A Description of the Region

With an area 13 991 km², the South-East cohesion region is the second largest cohesion region NUTS 2 CR, after the South-West cohesion region. Its population of 1 641 125 (as of 1 January 2006) makes the cohesion region NUTS 2 South-East the most populated cohesion region in the Czech Republic; the region presents approximately 16% of the total Czech population. As for the position of the South-East region within the economy of the CR, the region is the second most important cohesion region, with some 15% share of the national GDP. From the view of the South-East region's economy, it is important to note that the GDP has been continuously increasing since 1999. The geographical position of the region is favourable because of supra-regionally and internationally important roads (the TEN-T network).

Fig. 1. Cohesion regions in the Czech Republic and identification of the NUTS 2 South-East



Source: Office of the Regional Council South-East

The Regional Operational Programme NUTS 2 South-East strives to improve the situation in identified weak points within the region. Among others items are stopping decreasing birth rates, reversing the decrease of the population by natural processes; population “ageing”), ending the recession in certain traditional industrial branches (especially the textile industry), addressing the considerable inner-regional unemployment disparity and overloaded main roads.

Information related to the global financial and economic crisis and its effects is provided in chapter 2.4 “Likely Changes in Relation to the Implementation of the Operational Programme”.

2 AN OVERVIEW OF THE IMPLEMENTATION OF THE OPERATIONAL PROGRAMME

2.1 Achieved progress and its analysis

2.1.A Information on the physical progress of the Operational Programme

Table 2: Context indicators and indicators for horizontal themes

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
552000	Regional GDP per capita, in PPS	Conversion of the GDP per capita using the PPS (Purchasing Power Standards) , an EU unit based on common purchasing power parity and used for comparing volumes	The Czech Statistical Office	Achieved	18 233	N/A	N/A	N/A
Context				Starting	15 525	18 233	N/A	15 525
				Planned	N/A	N/A	N/A	N/A
552001	Regional GDP per capita, CR = 100	GDP per capita, CR = 100	The Czech Statistical Office	Achieved	90.4	N/A	N/A	N/A
Context				Starting	89.7	90.4	N/A	89.7
				Planned	N/A	N/A	N/A	N/A
552002	Regional GDP per capita, EU 25 = 100	GDP per capita, EU 25 = 100	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	66.1	N/A	N/A	66.1
				Planned	N/A	N/A	N/A	N/A
552101	Net disposable household income per	Net disposable household income per	The Czech	Achieved	96.2	N/A	N/A	N/A

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
Context	capita, CR = 100	capita, CR = 100	Statistical Office	Starting	96.6	96.2	N/A	96.6
				Planned	N/A	N/A	N/A	N/A
520800	General rate of unemployment	Rate of unemployment established by the Survey of Labour (%) NUTS 2 South-East	The Czech Statistical Office	Achieved	5.2	N/A	N/A	N/A
Context				Starting	7.7	5.2	N/A	7.7
				Planned	N/A	N/A	N/A	N/A
520801	General rate of unemployment- males	Rate of unemployment established by the Survey of Labour (%) NUTS 2 South-East	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	6.4	N/A	N/A	6.4
				Planned	N/A	N/A	N/A	N/A
520802	General rate of unemployment- females	Rate of unemployment established by the Survey of Labour (%) NUTS 2 South-East	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	9,3	N/A	N/A	9,3
				Planned	N/A	N/A	N/A	N/A
521000	Average monthly wage (CZK)	Average gross monthly nominal wage per employee (CZK)	The Czech Statistical Office	Achieved	kV: 18964	Vysočina Region: 20 616	N/A	Vysočina Region: 20 616
					South Moravian Region:	South Moravian Region: 21		South Moravian Region:

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
					19879	554		21 554
Context				Starting	Vysočina Region: 18 715	Vysočina Region: 18964	N/A	Vysočina Region: 18 715
					South Moravian Region: 20 272	South Moravian Region: 19879		South Moravian Region: 20 272
				Planned	N/A	N/A	N/A	N/A
520505	Rate of unemployment 15-64	Share of employed persons older than 15 versus the number of inhabitants older than 15 (%)	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	64.8	N/A	N/A	64.8
				Planned	N/A	N/A	N/A	N/A
520505	Employment by sector:	Share of employed persons older than 15 (as a %)	Ministry of Labour and Social Affairs	Achieved	N/A	N/A	N/A	N/A
Context	a) primary			Starting	a) 6.1	N/A	N/A	a) 6.1
	b) secondary				b) 40.6			b) 40.6

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
	c) tertiary				c) 53.3			c) 53.3
				Planned	N/A	N/A	N/A	N/A
5212012	Life expectancy at birth	In years (average value based on data for several years)	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context	a) males							
	b) females			Starting	a) 72.5*	N/A	N/A	a) 72.5*
					b) 79.2*			
				Planned	N/A	N/A	N/A	N/A
531300	Share of inhabitants with secondary and college education	Share of inhabitants older than 15 with education from a secondary school or an institute of higher education (%)	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	31.2	N/A	N/A	31.2
				Planned	N/A	N/A	N/A	N/A
531301	Share of inhabitants with university	Share of inhabitants older than 15 with	The Czech	Achieved	N/A	N/A	N/A	N/A

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code				Type of indicator	2007	2008	2015 Target Value	Total
Context				education	education from a university (%)	Statistical Office	Starting	11,2
				Planned	N/A	N/A	N/A	N/A
630503	Average length of stay	The number of nights per person	The Czech Statistical Office	Achieved	2.2	N/A	N/A	N/A
Context				Starting	2.4	2.2	N/A	2.4
				Planned	N/A	N/A	N/A	N/A
631501	Foreign visitors to the region – the number of arrivals	The number of visitors (thousands)	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	427	N/A	N/A	427
				Planned	N/A	N/A	N/A	N/A
631502	Foreign visitors to the region – the number of nights	The number of visitors (thousands)	The Czech Statistical Office	Achieved	994	N/A	N/A	N/A
Context				Starting	874	994	N/A	874
				Planned	N/A	N/A	N/A	N/A
630502	Visitors to the region – the number of nights	The number of visitors (thousands)	The Czech Statistical Office	Achieved	3 491	N/A	N/A	N/A
Context				Starting	3 482	3 491	N/A	3 482

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
			Office	Planned	N/A	N/A	N/A	N/A
630501	Visitors to the region – the number of arrivals	The total number of arrivals of foreign and domestic visitors per year (thousands)	The Czech Statistical Office	Achieved	N/A	N/A	N/A	N/A
Context				Starting	1 445	N/A	N/A	1 445
				Planned	N/A	N/A	N/A	N/A
552000	Regional GDP per capita v PPS	Conversion of GDP per capita using PPS (Purchasing Power Standards) –an EU unit based on common purchasing power parity and used for comparing volumes	The Czech Statistical Office	Achieved	region: 18 233	N/A	N/A	N/A
					Vysočina Region: 16 975			
Context					South Moravian Region: 18 801			
				Starting	region: 15 525	region: 18 233	N/A	region: 15 525
			Vysočina Region: 14 582		Vysočina Region: 16 975	Vysočina Region: 14 582		
			South Moravian Region: 15 951		South Moravian Region: 18 801	South Moravian Region: 15 951		

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total		
EU/Lisbon Code										
Type of indicator										
				Planned	N/A	N/A	region: 15 924	region: 15 925		
							Vysočina Region: 15 039	Vysočina Region: 15 040		
							South Moravian Region: 16 332	South Moravian Region: 16 333		
521000	Average monthly wage (CZK)	Average gross monthly wage per employee (CZK)	The Czech Statistical Office	Achieved	Vysočina Region: 18 964	Vysočina Region: 20 616	N/A	Vysočina Region: 20 616		
						South Moravian Region: 19 879		South Moravian Region: 21 554	South Moravian Region: 21 554	
Context						Starting	Vysočina Region: 18 715	Vysočina Region: 18 964	N/A	Vysočina Region: 18 715
							South Moravian Region: 20 272	South Moravian Region: 19 879		South Moravian Region: 20 272
				Planned	N/A	N/A	N/A	N/A		

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
520513	Employment by sector: tertiary	Share of persons older than 15 employed in the tertiary sector (v %)	Ministry of Labour and Social Affairs	Achieved	N/A	N/A	N/A	N/A
Context				Starting	region: 53.3	N/A	N/A	region: 53.3
					Vysočina Region: 44.7			Vysočina Region: 44.7
					South Moravian Region: 57.3			South Moravian Region: 57.3
				Planned	region: 58.63	N/A	N/A	region: 58.64
					Vysočina Region: 49.17			Vysočina Region: 49.18
	South Moravian Region: 63.03	South Moravian Region: 63.04						
653107	Noise reduction	Share of inhabitants living in areas where noise limits are	Managing Authority	Achieved	N/A	N/A	N/A	N/A

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
HT		exceeded (according to Noise Maps) (%)	y	Starting	Noise Maps elaborated by the Ministry of Health	N/A	N/A	Noise Maps elaborated by the Ministry of Health
				Planned	N/A	N/A	Results from the Evaluation Study by the Managing Authority	Results from the Evaluation Study by the Managing Authority
653103	Emission of tropospheric ozone precursors	The total annual emission of tropospheric ozone: VOC, NOx, PCO and CH4 (kilotonnes)	MA	Achieved	N/A	N/A	N/A	N/A
HT				Starting	Region	N/A	N/A	Region
				Planned	N/A	N/A	Results from the Evaluation Study by the Managing Authority	N/A
653104	The decrease in the emission of primary particles and secondary particulate	The total annual emission of primary particles PM10 and emission NOx, SO2, and NH3 – kilotonnes (potential of particle	MA	Achieved	N/A	N/A	N/A	N/A
HT				Starting	Region	N/A	N/A	Region

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
	precursors	formation)		Planned	N/A	N/A	Results from the Evaluation Study by the Managing Authority	N/A
651120	Newly developed or revitalised green spaces	Area (sqm)	MA	Achieved	0	2 100	N/A	2 100
HT				Starting	0	0	N/A	200 000
				Planned	N/A	N/A	200 000	200 000
652000	The total area of revitalised or unused sites (brownfields)	Area (sqm)	MA	Achieved	0	0	N/A	0
HT				Starting	0	0	N/A	66 000
				Planned	N/A	N/A	66 000	66 000
520100	The total the number of new jobs	The gross number of new jobs (according to statistics provided by the Employment Office , adjusted for full working hours)	MA	Achieved	219	0	N/A	0
Core 01				Starting	0	219	N/A	0
HT				Planned	N/A	N/A	Results from the Evaluation Study by the Managing Authority	N/A

NCI Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	2015 Target Value	Total
EU/Lisbon Code								
Type of indicator								
520101	Of which: for males			Achieved	0	0	N/A	0
Core 02				Starting	0	0	N/A	0
HT				Planned	N/A	N/A	Results from the Evaluation Study by the Managing Authority	Results from the Evaluation Study by the Managing Authority
520102	Of which: for females			Achieved	0	0	N/A	0
Core 03				Starting	0	0	N/A	0
HT				Planned	N/A	N/A	Results from the Evaluation Study by the Managing Authority	Results from the Evaluation Study by the Managing Authority

Source: Monit 7+, ORC SE

Notes: * Data as of 2002

Formal changes in the monitoring and evaluating of indicators and the time of data collection in the 2008 Annual Report of the ROP South-East

Last year there were no formal changes in the system of indicators. The fulfilment of all indicators that are contained in the valid programming document of the ROP SE and included in this annual report is as of 31 December 2008. Physical indicators are evaluated according to the NAC methodology only after project's financing has been finished. In 2008, logically, the biggest number of projects was found under

implementation and therefore there are only few projects that meet the given methodical criterion and can prove a non-zero achieved value.

Context indicators

Changes to the values of the Context Indicators cannot be evaluated in the Annual Report since the statistical data for 2008 are not yet available.

Horizontal Theme Indicators

During 2008, there was a change in the achieved values for horizontal themes – in the “Newly developed or revitalised green spaces” indicator. The achieved value was 2 100 m², or 10.5 % of the allocation for the entire programming period.

Table 3: An overview of Calls

Call No	Call Announcement Date	End of Call Date	Priority Axis	Area of Support Code	Total Allocation (EUR)** (EU+RR)*	Submitted Applications		Approved Projects	
						The number	EUR** (EU+RR)*	The number	EUR** (EU+RR)*
01	17 Sep 2007	cont./closed	1	1.1	73 211 883	24	63 530 227	22	59 221 911
	17 Dec 2007	29 Feb 2008		1.2	9 688 321	7	6 055 924	6	4 678 700
	1 Dec 2007	1 Mar 2008		1.4	7 510 327	11	5 655 501	6	1 323 837
	19 Dec 2007	2 Mar 2008	2	2.1	16 334 961	99	52 625 771	30	15 529 552
	20 Dec 2007	3 Mar 2008		2.2	4 130 680	55	5 817 732	21	2 832 151
	17 Dec 2007	31 Mar 2008	3	3.2	21 404 431	65	62 874 719	31	17 301 374
	18 Dec 2007	1 Apr 2008		3.3	10 138 941	129	63 178 425	29	9 703 919
	19 Dec 2007	29 Feb 2008		3.4	28 163 725	16	20 837 065	15	19 122 843
	17 Sep 2007	cont./closed	4	4.1	3 433 385	3	3 431 844	3	3 606 304
	18 Sep 2007	cont./closed		4.2	3 433 385	4	3 659 336	3	1 145 161
02	5 May 2008	continual	1	1.1	7 360 120	1	929 863	-	-
	3 Jul 2008	continual			197 622 982	21	33 560 924	9	14 209 992
	5 May 2008	7 Jul 2008		1.2	5 107 022	4	3 280 892	-	-

Call No	Call Announcement Date	End of Call Date	Priority Axis	Area of Support Code	Total Allocation (EUR)** (EU+RR)*	Submitted Applications		Approved Projects	
						The number	EUR** (EU+RR)*	The number	EUR** (EU+RR)*
	6 May 2008	8 Jul 2008		1.3	26 736 763	2	26 667 665	-	-
	7 May 2008	9 Jul 2008		1.4	4 693 954	7	3 996 393	-	-
	8 May 2008	10 Jul 2008	2	2.1	33 533 609	98	60 679 426	5	1 680 796
	9 May 2008	11 Jul 2008		2.2	5 895 606	55	5 934 010	1	163 145
	5 May 2008	continual	3	3.1	45 061 960	6	6 933 344	-	-
	1 Aug 2008	17 October 2008		3.2	21 779 947	62	56 791 457	-	-
	1 Aug 2008	17 October 2008		3.3	16 710 477	186	92 804 378	-	-
	5 May 2008	continual		3.4	11 716 110	9	9 612 603	2	2 007 774
03	1 Sep 2008	31 October 2008	1	1.4	5 182 125	9	5 799 704	-	-
04	1 Oct 2008	continual	4	4.1	13 894 104	1	15 020 653	1	15 020 653
	1 Oct 2008	continual		4.2	4 881 712	1	4 881 694	1	5 277 507
Total	-	-	-	-	577 626 531	875	614 559 550	185	172 825 618

Source: Monit 7+, ORC SE

Notes:

** The Calls were announced for the Community contribution and the Regional Council subsidy, with participation of the state budget and the regional budget*

*** Exchange rate conversion: ECB January 2009, 1 EUR = CZK 26.63 CZK*

In the first quarter of 2008, the first calls announced by the end of 2007 were closed. In the course of the year, the first calls were followed by the second round of calls that were announced for all areas of intervention by all priority axes with exception of the 'Technical assistance' for which the second continual call was announced during the year. Except the continual calls for the areas of intervention 1.1, 3.1 and 3.4, the deadline for submissions of the projects was July (for the first two priority axes) and October (Priority Axis 3). Then, in September, a complementary third call was announced for area of support 1.4. Hence, in 2008, 875 projects were received, at a total volume of public subsidy funds equal to EUR 615 million, which is 106 % of the total allocation announced, and represents 76 % of the total Programme allocation for the entire programming period.¹

During the first round of calls that was covering all areas of support except the areas of intervention 1.3 and 3.1), 413 projects were received at an amount equal to EUR 288 million of public subsidy funds. The amount was 83 % of the total allocation available for Priority Axis 1; 286 % of the total allocation available for Priority Axis 2; and 246 % of the total allocation available for Priority Axis 3. During 2008, the selective process was completed and, in consequence of non-compliance with the selective criteria or insufficient resulting scores, 238 projects were rejected. For the round of calls, total 166 projects were recommended for implementation, total amount equal EUR 134 million of public subsidy funds.

For the second and third round of calls, the available allocation was EUR 381 million of public subsidy funds. Altogether 460 projects were submitted of total amount EUR 301 million of public subsidy funds. Hence, by the particular calls, the total value of the submitted projects against the allocation available was 95 % in Priority Axis 1; 169 % in Priority Axis 2; and 389 % in Priority Axis 3. By the end of 2008, the assessment and the procedures to select the projects were completed.

Overall, the most frequent reason for not accepting a project is the excess of funds required for individual projects over the allocation per call. However, this allows us to choose the most flexible projects. More information is provided in Chapter 2.3.

¹ Allocation by the ERDF and the part of subsidy by the Regional Council

2.1. B Financial data

Table 4: Financial Data of the OP (EUR)

	Expenditure paid out by the Recipients/Beneficiaries included in the requests for payment submitted to the MA*	Expenditure paid by the body managing the payment to the Recipients/Beneficiaries = (the contribution from Public subsidy funds)	Total payments received from the EC
<i>Priority Axis 1</i> ERDF out of which are ERDF- type expenditure	8 439 210	5 865 756	17 258 918,08
<i>Priority Axis 2</i> ERDF Out of which are ERDF-type expenditure	333 879	156 688	6 692 233,54
<i>Priority Axis 3</i> ERDF Out of which are ERDF-type expenditure	100 295	0	10 073 572,59
<i>Priority Axis 4</i> ERDF Out of which are ERDF-type expenses	2 318 410	1 319 013	1 197 557,58
Grand total	11 191 794	7 341 458	35 222 281,80
Total in regions without temporary support in the grand total	0	0	-

	Expenditure paid out by the Recipients/Beneficiaries included in the requests for payment submitted to the MA*	Expenditure paid by the body managing the payment to the Recipients/Beneficiaries = (the contribution from Public subsidy funds)	Total payments received from the EC
ESF-type expenditure where the programme is co-financed by the ERDF	0	0	-

Source: Monit 7+, ORC SE

* Including requests for payment approved by the MA

Notes: Exchange rate: ECB January 2009, 1 EUR = 26.63 CZK

Public subsidy funds (the Community contribution and the Regional Council subsidy, with participation of the state and regional budgets).

The total payments received from the EC by 31 December 2008 totalled € 35 222 281.80. The third payment was made on 9 February 2009, at amount of € 14 088 912.72. The total (of all payments) is equal to 7% of the total ERDF allocation for the ROP SE (which is € 704 445 636).

During 2008, 61 requests for payment were submitted. As of 31 December 2008, in relation to approved requests, subsidies for the implemented expenses equalled more than EUR 11 million. By the end of 2008, subsidies paid to recipients by the Regional Council within the entire Programme equalled EUR 7.34 million.

Before the end of 2008, no financial means were certified, entire payments received from the EC (EUR 49 311 194.52) were provided as advance payments.

Table 5: The Financial Plan of the OP

Priority Axis/ Area of Support	Fund	Share of Allocation (%)	EU (EUR)	Public subsidy funds (total) (EUR)
1.	ERDF	49.0	345 178 362	406 092 189
1.1	ERDF	36.3	255 361 543	300 425 345

Priority Axis/ Area of Support	Fund	Share of Allocation (%)	EU (EUR)	Public subsidy funds (total) (EUR)
1.2	ERDF	4.9	34 809 407	40 952 242
1.3	ERDF	5.3	37 044 048	43 581 232
1.4	ERDF	2.6	17 963 364	21 133 370
2.	ERDF	19.0	133 844 670	157 464 318
2.1	ERDF	16.2	113 767 969	133 844 670
2.2	ERDF	2.9	20 076 701	23 619 648
3.	ERDF	28.6	201 471 452	237 025 230
3.1	ERDF	11.6	81 511 404	95 895 771
3.2	ERDF	7.1	49 937 657	58 750 182
3.3	ERDF	5.4	38 132 137	44 861 340
3.4	ERDF	4.5	31 890 254	37 517 947
4.	ERDF	3.4	23 951 152	28 177 824
4.1	ERDF	2.6	17 963 364	21 133 368
4.2	ERDF	0.9	5 987 788	7 044 456

Priority Axis/ Area of Support	Fund	Share of Allocation (%)	EU (EUR)	Public subsidy funds (total) (EUR)
Total	ERDF	100.0	704 445 636	828 759 572

Source: Monit 7+, ORC SE

Table 5 shows the distribution of the ERDF contributions for the Programme by priority axis and areas of support.

Table 6: List of Advance and Continuous Payments

Fund	ERDF					
Allocation	704 445 636.00					
Payment	Certification			Summary Requests		
Available for drawing	669 223 354.20			704 445 636.00		
Requested - total	0.00			0.00		
%	0.00			0.00		
Received total	35 222 281.80			0.00		
%	5.00			0.00		
	Date	Amount	Claim No	Date	Amount	Request No

Requested	-	-		-	-	
Received	19 December 07	14 088 912.72	Advance payment 1	-	-	-
Requested	-	-		-	-	
Received	18 February 08	21 133 369.08	Advance payment 2	-	-	-

Source: Monit 7+, ORC SE

Note: The amount of the third advance payment (received on 9 Feb 2009) and its influence on financial indicators is described above.

In 2008, the second advance payment was received from the EC, at amount equalling EUR 21 133 369.08. The total advance payments provided by the EC before the end of 2008 equal EUR 35 222 281.80 (the first and the second advance for 2007 and 2008).

Table 7: The n+3/ n+2 Rule

Year	Allocation for the year "n"	Submitted claims		Approved projects		Finances provided to the recipients		Certified finances	
	a) EUR	b) EUR	%b/a	c) EUR	%c/a	d) EUR	%d/a	e) EUR	%e/a
2007	87 402 795	36 610 494	41.9	-	-	-	-	-	-
2008	91 702 020	517 586 698	564.4	156 203 888	170.3	6 735 405	7.3	-	-

2009									
2010									
2011									
2012									
2013									
2014									
2015									
Total	704 445 636	554 197 193	78.7	156 203 888	22.2	6 735 405	0.96	-	-

Source: Monit 7+, ORC SE

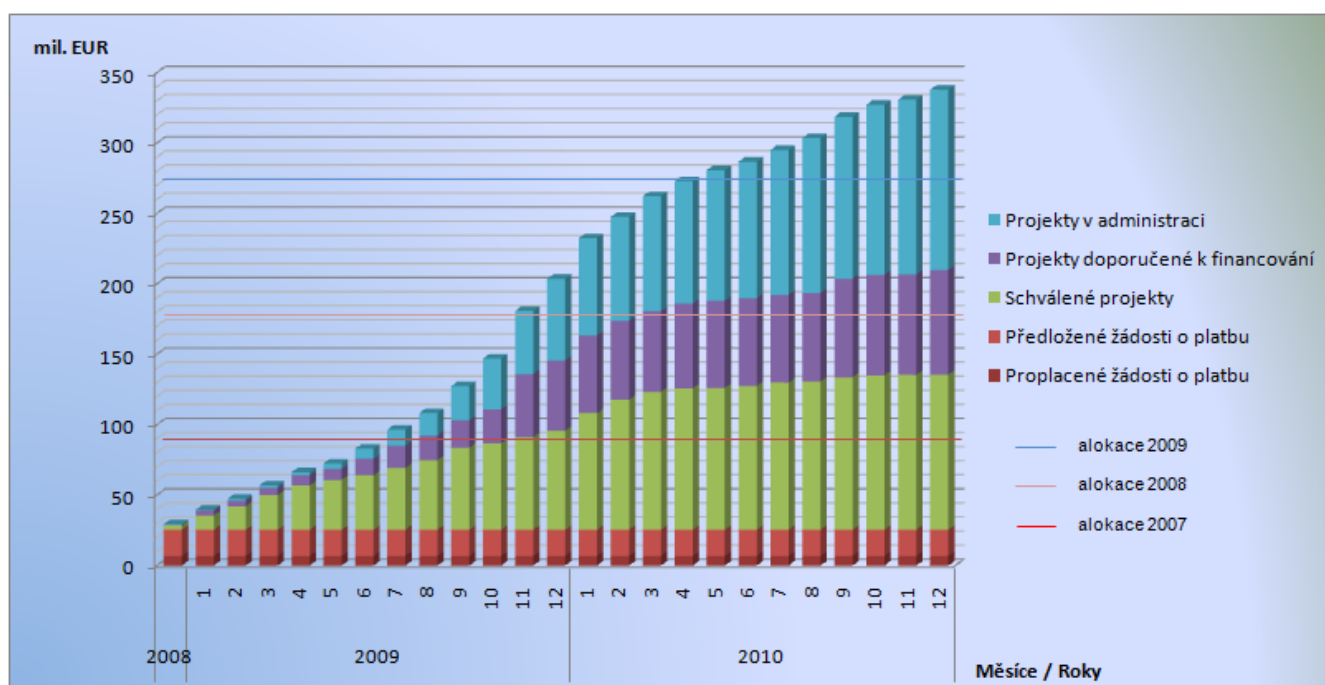
In light of the „n+3“ principle, for complete drawing of the funds from the ERDF allocated for the ROP SE, it is necessary in 2010 to certify funds corresponding to the scope of the allocation of 2007, which is EUR 87 402 795.

As of 31 December 2008, applicants submitted projects for the funding related to the ERDF contribution at amount equal to more than EUR 25 million, out of which the Beneficiaries were paid out EUR 6.7 million. It is expected that the total anticipated funding for projects submitted in 2009, on the basis of the financial plans, in positive values to 31 December 2008, will equal the allocation for 2007 in July 2009. Providing that at least the selected projects (the projects recommended for funding) will be included, on condition that the projects will be implemented in compliance with their schedules, the requests for payment will exceed the amount of the allocation of 2007 during August 2009. Hence towards the end of August the total amount of the projects requesting for payment submitted on the basis of the project pool as of 31 December 2008 is to reach EUR 92 million for the projects approved and recommended for funding before 31 December 2008 (EUR 108 million providing that all projects in positive values are included). As of September 2009, the amount of the projects is to reach EUR 103 million for the projects approved and recommended for funding before 31 December 2008 (EUR 127 million for all projects in positive values).

Because of administrative deadlines, considering the (minimum) three months from the submission to the certification, the project pool as of 31 December 2008, will be sufficient for covering of the allocation for 2007.

In addition, the project pool as of 31 December 2008 is capable to cover the allocations for the following years as well. The amount of the projects requesting for funding is to reach the amount of the allocation for 2008 in November 2009, and the allocation for the year 2009 is to be covered by the submitted projects in May 2010, i.e. with consideration to the “n+3” principle well ahead of schedule (see the Graph).

Graph 1: Project Pool for Drawing under the “n+3” Principle (as of December 2008) (anticipated amount of projects submitted for funding by months of the period between 2009 and 2010 – ERDF share)



Source: Monit 7+, ORC SE

Projekty v administraci	Administered projects
Projekty doporučené k financování	Project recommended for funding
Schválené projekty	Approved projects

Předložené žádosti o platbu	Requests for payment (submitted)
Proplacené žádosti o platbu	Requests for payment – paid out
allocation	Allocation
Měsíce/roky	Months/Years

The ROP SE allows cross financing under Priority Axis 2 ‘Development of sustainable tourism’ and Priority Axis 3 ‘Sustainable development of towns and rural areas’. By the end of 2008 no project applying for cross funding was submitted.

2.1. C Breakdown of Use of the Funds

Table 8: Cumulative Distribution of the Allocation from the Community Contribution by Category (as of 31 December 2008)

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
11 - Information and communication technologies (access, security, interoperability, risk-prevention, research, innovation, e-content etc.)	1 - Non-repayable aid	5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	17 - Public administration	CZ064	373 532	3 498 641
18 - Mobile rail						11 113 215

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
assets						
23 - Regional/local roads	1 - Non-repayable aid	1 - Urban	12 - Construction	CZ064	282 774	248 218 685
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	12 - Construction	CZ064	43 124 205	
			17 - Public administration	CZ063	24 210 310	
24 - Cycle tracks	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ064	368 655	17 065 196
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	17 - Public administration	CZ063	306 081	
					CZ064	

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
25 - Urban transport	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ064	461 338	37 306 427
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	12 - Construction	CZ064	1 914 819	
28 - Intelligent Transport Systems	1 - Non-repayable aid	1 - Urban	11 - Transport	CZ063	560 101	870 976
			17 - Public administration	CZ064	1 363 087	
29 - Airports						7 142 858
52 - Promotion of clean urban transport						23 461 006
55 - Promotion of natural assets	1 - Non-repayable aid	5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated)	17 - Public administration	CZ063	361 487	6 859 539

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
		areas)				
				CZ064	319 189	
56 - Protection and development of natural heritage	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ063	737 143	5 420 709
57 - Other assistance to improve tourism services	1 - Non-repayable aid	1 - Urban	14 - Hotels and restaurants	CZ063	2 722 579	93 323 196
					CZ064	
			17 - Public administration	CZ064	1 666 716	
			20 - Social work, community, social and personal services	CZ064	407 213	
			22 - Other unspecified services	CZ064	968 223	

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	14 - Hotels and restaurants	CZ064	1 627 480	
				CZ064	330 368	
				CZ063	1 897 462	
				CZ064	788 559	
			16 - Real estate, renting and business activities	CZ064	755 136	
			17 - Public administration	CZ063	115 556	
				CZ064	633 637	
			22 - Other unspecified services	CZ063	146 168	
58 - Protection and preservation of the cultural	1 - Non-repayable	1 - Urban	17 - Public administration	CZ063	67 243	16 864 428

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
heritage	aid					
				CZ064	151 721	
			20 - Social work, community, social and personal services	CZ064	139 016	
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	17 - Public administration	CZ064	341 348	
59 – Development of cultural infrastructure	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ063	271 867	
					CZ064	5 152 392
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated)	17 - Public administration	CZ063	1 136 717	26 783 261

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
		areas)				
				CZ064	1 170 959	
60 – Other assistance to improve cultural services						2 275 359
61 – Integrated projects for urban and rural regeneration						81 511 404
75 – Educational infrastructure	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ063	1 255 638	28 475 691
					CZ064	
			18 - Education	CZ064	3 146 702	
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated	17 - Public administration	CZ063	1 152 324	

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
		areas)				
				CZ064	767 565	
			18 - Education	CZ063	93 453	
				CZ064	238 328	
76 – Health infrastructure	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ063	12 353 443	29 431 682
				19 - Human health activities	CZ064	
77 – Childcare infrastructure	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ063	483 608	22 677 295
					CZ064	
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	17 - Public administration	CZ063	1 123 973	

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
				CZ064	147 249	
79 – Other social infrastructure	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ063	3 522 623	18 194 916
				CZ064	2 564 369	
			20 - Social work, community, social and personal services	CZ063	349 164	
				CZ064	916 428	
		5 - Rural areas (other than mountains, islands or sparsely and very sparsely populated areas)	17 - Public administration	CZ063	616 036	
				CZ064	1 638 639	
				CZ064	164 354	
			18 - Education	CZ063	341 352	

Code Theme 1 Priority Theme	Code Theme 2 Form of Funding	Code Theme 3 Type of Area	Code Theme 4 Economic Activity	Code Theme 5 Geographical Location	Drawn - Achieved Value (EUR)	Allocation for the Priority Theme in the OP (EUR)
			20 - Social work, community, social and personal services	CZ064	1 103 219	
81 Mechanisms for improving good policy and programme design, monitoring and evaluation at the national, regional and local levels, capacity building in the delivery of policies and programmes	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ064	4 255 852	8 622 415
85 - Preparation, implementation, monitoring and inspection	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ064	7 625 944	7 903 880
86 – Evaluation and studies; information and communication	1 - Non-repayable aid	1 - Urban	17 - Public administration	CZ064	9 516 244	7 424 857
Total					156 635 502	704 445 636

Source: IS MONIT

Notes: Exchange rate: ECB January 2009, 1 EUR = 26.63 CZK

Based on the definition in the OP, municipalities with population greater than 5000 and the municipalities of Pohořelice and Židlochovice that are beneficiaries under the areas of support 3.2 “Development of regional centres“ are considered as municipal parts.

2.1. D Assistance by Target Groups

According to the Strategy of Regional Development of the Czech Republic for the period 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.

The most frequent beneficiaries of the Operational Programme include regions, municipalities, unions of municipalities and micro-regions, legal and physical entities - entrepreneurs, non-governmental non-profit organisations and other types of organisations established by municipalities and regions or by private entities.

Table 9: Investments of the OP in Disadvantaged Regions

Priority Axis	Disadvantaged regions	Submitted Projects		Approved projects	
		Number	EUR (EU+RR)*	Number	EUR** (EU+RR)*
1	II. Economically weak regions	1	2 744 047		
	III. Regions with an above-average rate of unemployment	1	548 954	1	548 954
	Total	2	3 293 001	1	548 954

2	II. Economically weak regions	25	5 898 934	7	2 213 003
	III. Regions with an above-average rate of unemployment	9	4 249 660	1	347 395
	Total	34	10 148 594	8	2 560 398
3	II. Economically weak regions	22	25 240 806	3	3 511 200
	III. Regions with an above-average rate of unemployment	7	6 011 433	2	1 303 947
	Total	29	31 252 238	5	4 815 147
Total		65	44 693 833	14	7 924 499

Source: IS MONIT

Note: Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

There are three economically weak regions in NUTS 2 SE: they consist of the Hodonín, Znojmo and Třebíč districts. The following municipalities with extended competencies have an above-average rate of unemployment: Bystřice nad Pernštejnem, Bučovice and Mikulov.

65 projects aimed at disadvantaged regions were submitted with a total subsidy contribution (ERDF and Regional Council) equalling EUR 44.7 thousand. Of these, 48 projects were in economically weak regions (EUR 33.9 million) and 17 projects were in regions with an above-average rate of unemployment (EUR 10.8 million).

2.1. E Assistance Repaid or Re-used

During 2008, the ROP SE did not experience any repaid funds after cancellation of support for the original beneficiary as a consequence of a breach in the rule of sustainability of operations or by irregularities: hence, no funds under the Programme were reused as provided by Article 98 of Regulation 1083/2006.

2.1. F Qualitative Analysis

Table 10: Implementation by Priority Axis

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>
1	406 092 191	86	149 477 093	8	35	60 164 672	43	79 434 440	16 552 214	5 865 756
2	157 464 317	307	125 056 939	178	72	35 749 162	57	20 205 645	2 383 209	156 688
3	237 025 238	473	313 031 992	146	250	158 126 571	77	48 135 910	4 562 703	-
4	28 177 826	9	26 993 527	1	-	-	8	25 049 624	4 870 957	1 319 013
Total ROP SE	828 759 572	875	614 559 550	333	357	254 040 404	185	172 825 618	28 369 083	7 341 458
	% allocation	%***	% allocation	%***	%***	% allocation	%***	% allocation	% allocation	% allocation
	$= b/b$	$= c/c$	$= d/b$	$= e/c$	$= f/c$	$= g/b$	$= h/c$	$= i/b$	$= j/b$	$= k/b$
1	100.0	100.0	36.8	9.3	40.7	14.8	50.0	19.6	4.1	1.4
2	100.0	100.0	79.4	58.0	23.5	22.7	18.6	12.8	1.5	0.1
3	100.0	100.0	132.1	30.9	52.9	66.7	16.3	20.3	1.9	-
4	100.0	100.0	95.8	11.1	-	-	88.9	88.9	17.3	4.7
Total	100.0	100.0	74.2	38.1	40.8	30.7	21.1	20.9	3.4	0.9

ROP SE									
--------	--	--	--	--	--	--	--	--	--

Source: IS MONIT7+

Notes:

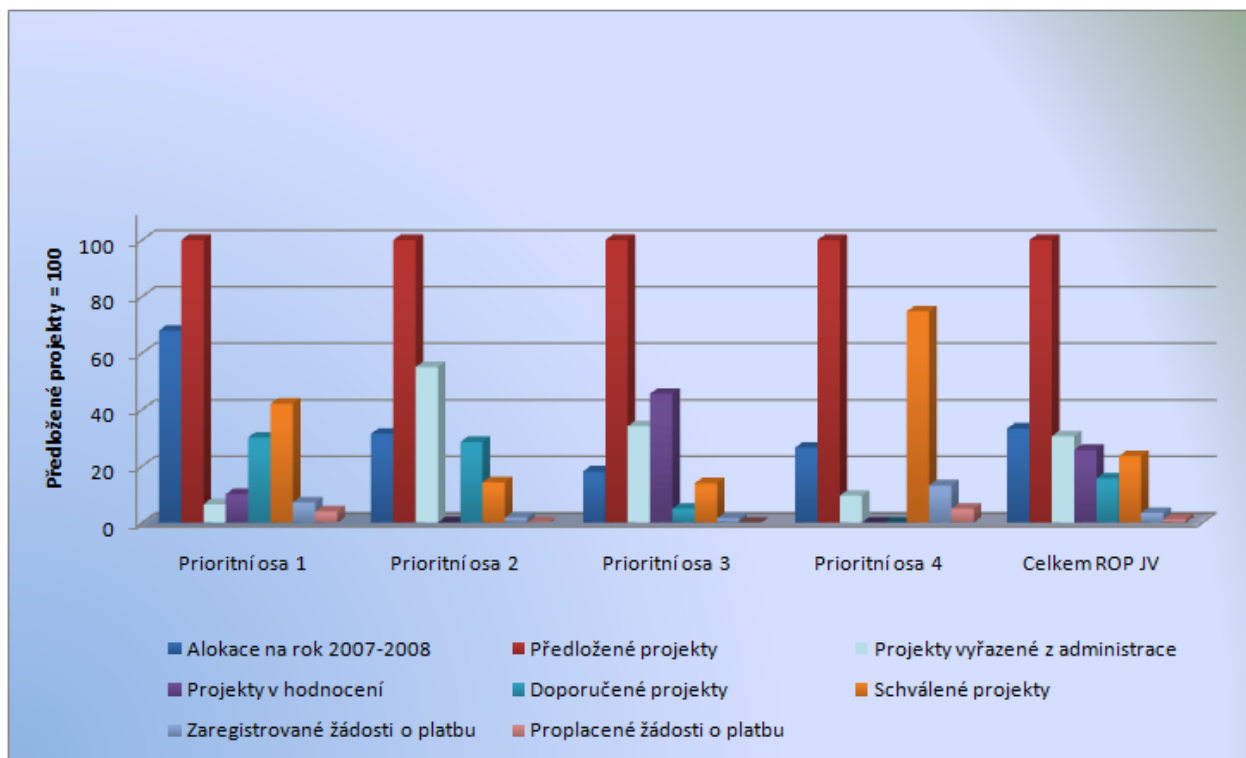
Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

* Public subsidy funds (the Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

** Out of approved/implemented projects

*** Percentage of submitted projects

Graph 2: Implementation by Priority Axis (amount of public subsidy funds for projects by the administration status)

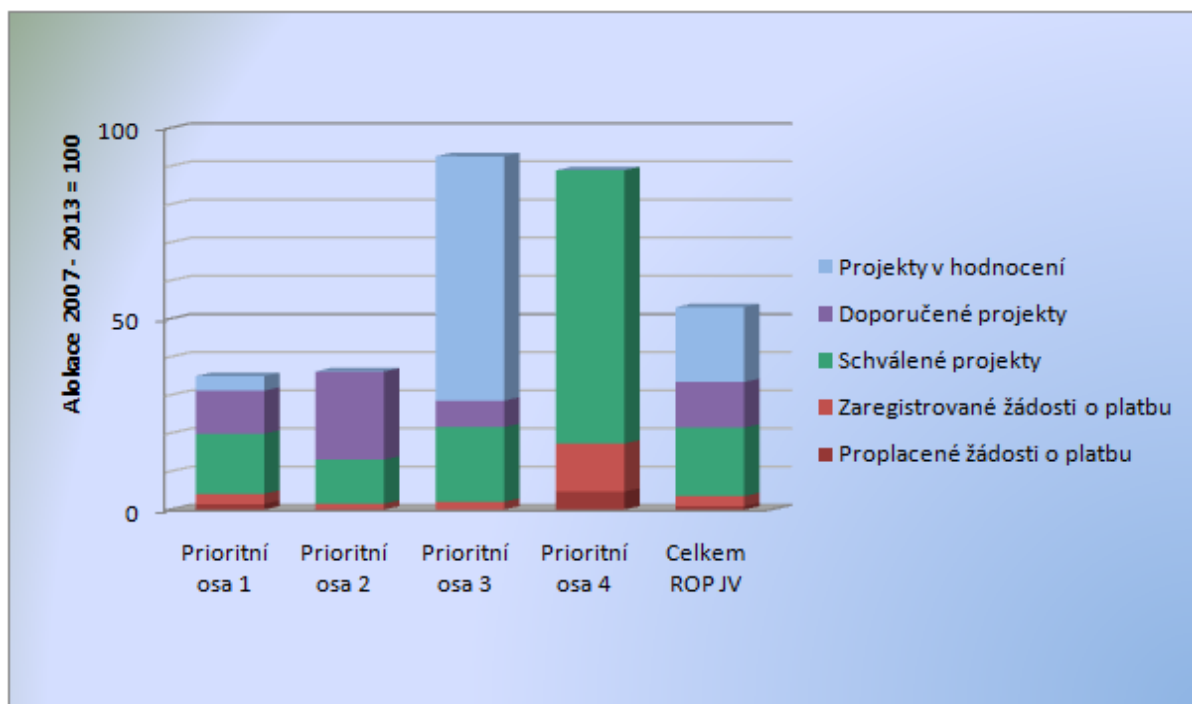


Source: Monit 7+, ORC SE

Prioritní osa 1	Priority Axis 1
Celkem ROP JV	Total ROP SE
Allocation na rok 2007-2008	Allocation for the period 2007-2008
Předložené projekty=100	Submitted projects=100
Projekty v hodnocení	Projects under evaluation pending
Zaregistrované žádosti o platbu	Requests for payment - registered
Předložené projekty	Submitted projects
Doporučené projekty	Project recommended for funding
Proplacené žádosti o platbu	Requests for payment – paid out
Projekty vyřazené z administrace	Projects eliminated from administration
Schválené projekty	Approved projects
Měsíce/roky	Months/Years

As to 31 December 2008, total 875 projects in all Priority Axes were submitted from the beginning of the implementation of the Programme. Total amount of the submitted projects as to 31 December 2008 was EUR 615 million of public subsidy funds. The amount stands for 76.4 % percent of total allocation and a triple allocation for the years 2007 and 2008. During the administration procedures, total 333 projects were rejected/eliminated, of amount of public subsidy funds equal EUR 188 million. Hence, as to 31 December 2008, there were total 542 active projects of amount equal EUR 427 thousand of public subsidy funds.

Graph 3: Project Pool of the ROP SE (as of 31 December 2008) (projects by the administration status, allocation 2007 - 2013 = 100)



Source: Monit 7+, ORC SE

Prioritní osa 1	Priority Axis 1
Celkem ROP JV	Total ROP SE
Allocation na 2007-20013 = 100	Allocation 2007-2013 = 100
Doporučené projekty	Project recommended for funding
Projekty v hodnocení	Projects under evaluation pending
Zaregistrované žádosti o platbu	Requests for payment - registered

Proplacené žádosti o platbu	Requests for payment – paid out
Schválené projekty	Approved projects

In all priority axes, the amount of submitted projects exceeded aggregate amounts of allocations for the years 2007 and 2008 – in Priority Axis 1 by nearly a half; in Priority Axis 2 by a triple; in Priority Axis 3 by a quintuple and a half; and in Priority Axis 4 by nearly a quadruple. As for the whole Programme, the amount of submitted projects exceeded the aggregate allocation for the years 2007 and 2008 three times. Biggest progress, considering the amount of submitted projects, was achieved under Priority Axis 3 where total 473 projects were registered, which is 140.5 % of the total allocation for the Priority Axis. In Priority Axis 1, total 86 projects were submitted, which is 37.4 % of the total allocation for the Priority Axis ; and in Priority Axis 2, total 307 projects were submitted, which is 80.0 % of the total allocation for the Priority Axis.

By the end of 2008, projects valued more than EUR 172 million were approved. In the Priority Axes 1 and 3, the amount of the approved projects stands for 20 % of the total allocation while in Priority Axis 2 it was nearly 13 %. However, in the Priority Axes 1 and 2, a considerable part of the projects had passed through the selective process and were recommended for funding (nearly all projects in Priority Axis 2 and $\frac{3}{4}$ projects in Priority Axis 1).

Table 11: Real Progress in the OP

Priority Axis	Approved projects 2008		Projects closed before the end of 2008		% share of all closed projects in the allocation
	Number	(EUR)	Number	(EUR)	
1.	43	79 434 440	-	-	-
2.	57	20 205 645	1	36 444	0.02
3.	77	48 135 910	-	-	-

4.	8	25 049 624	-	-	-
Total ROP SE	185	172 825 618	1	36 444	0.00

Source: IS MONIT7+

Notes:

Public subsidy funds (the Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

Table 12: Progress in Achievement of Lisbon Indicators

Code Theme 1 Priority Theme	Allocation for themes under the OP (EUR)	Agreed expenses (%) compared against the allocation 2007-2013*	Drawn in 2008 (%) compared against the allocation 2007- 2013**
11 - Information and communication technologies (access, security, interoperability, risk-prevention, research, innovation, e-content, etc.)	3 498 641	10.7	-
28 - Intelligent Transport Systems	870 976	220.8	-
29 - Airports	7 142 858	-	-
52 - Promotion of clean urban transport	23 461 006	-	-
Total	34 973 481	6.57	0

Source: IS MONIT7+

Notes:

* For the purposes of the "estimation", projects in positive numbers were included, beginning from the status P4 (Approved projects)

** Information "Drawn" is related to projects in positive status, beginning from status P6 (completed project funding)

Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

Table 13: Important milestones of the ROP SE in 2008

Date	Place	Brief description
19. 12. 2008	Rančívov	16th meeting of the South-East Regional Council Committee
12. 11. 2008	Brno	The VISION 2015 conference
01. 12. 2008	Brno	A meeting of the Monitoring Committee of the ROP South-East
12. 11. 2008	Brno	The first request for payment was paid out to an external beneficiary
04. 11. 2008	Brno	The first aggregate request for payment was filed
07. 10. 2008	Dolní Kounice	15th meeting of the South-East Regional Council Committee
05. 09. 2008	Jihlava	14th meeting of the South-East Regional Council Committee
07. 08. 2008	Jihlava	A seminar for aid beneficiaries
06. 08. 2008	Brno	A seminar for aid beneficiaries
08. 07. 2008	Brno	A press conference
08. 07. 2008	Jihlava	A press conference
02. 07. 2008	Velká Bíteš	13th meeting of the South-East Regional Council Committee
26. 06. 2008	Brno	A seminar for aid beneficiaries
04. 06. 2008	Brno	A press conference

Date	Place	Brief description
04. 06. 2008	Brno	12th meeting of the South-East Regional Council Committee
02. 06. 2008	Jihlava	A meeting of the Monitoring Committee of the ROP South-East
22. 05. 2008	Jihlava	A seminar for applicant – European Chance for the Region
21. 05. 2008	Brno	A seminar for applicant – European Chance for the Region
15. 05. 2008	Jihlava	A seminar for applicant – European Chance for the Region
14. 05. 2008	Brno	A seminar for applicant – European Chance for the Region
31. 03. 2008	Brno	A press conference
31. 03. 2008	Brno	A visit of European Commissioner Danuta Hübner
14. 03. 2008	The Continental Hotel, Brno	A meeting of the South-East Regional Council Committee
04. 03. 2008	The Continental Hotel, Brno	The European Chance for the Region seminar
29. 02. 2008	The Continental Hotel, Brno	Expert training
26. 02. 2008	The Office of the Regional Council South-East, Brno	Expert training
22. 02. 2008	The regional workplace of the ORC, Jihlava	Expert training
21. 02. 2008	The Continental Hotel, Brno	Expert training
08. 02. 2008	The International	A seminar of the ROP SE

Date	Place	Brief description
	Hotel, Brno	Economic project evaluation (CBA, feasibility study) Applicant's financial health BENEFIT7
07. 02. 2008	The Business Hotel, Jihlava	A seminar of the ROP SE Economic project evaluation (CBA, feasibility study) Applicant's financial health BENEFIT7

Source: ORC SE

2.2 Information about Compliance with Community Law

The Managing Authority ROP NUTS II South-East fully respects entire relevant legal regulations and decisions made by the European Commission. In using assistance of the ERDF in 2008, the Managing Authority proceeded in accordance with all policies of the Community. In terms of relevant law related to the activities and the position of the Regional Council South-East, during the year 2008 infringements of EU law were not shown. The effectiveness of legal regulations or their changes is defined so that transposition deadlines set forth by the Commission are not excessively extended and harmonisation of the national legislation with EU law may proceed without major problems.

In the area of assistance from public subsidy funds, pursuant to Article 83-87 of the EC Treaty, the Managing Authority followed the Guidelines on National Regional Aid No 2006/C 54/08 for 2007-2013: the assistance granted to supported projects did not exceed the limits set forth in the approved regional aid map for the period 2007-13. The Managing Authority proceeds in compliance with the Commission Regulation (EC) 1628/2006: since the assistance is provided in whole, the Commission Regulation (EC) 800/2008 was not applied in 2008.

In subsidies granted by the European Union, rules on compatibility pursuant to Art. 54 (3) (b) of Council Regulation (EC) laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund must be adhered. Assistance for a project provided under the ROP South-East is not compatible with assistance provided to identical project from another Community source. Beneficiaries confirm their observance to this obligation in their contract of subsidy.

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 2008, the binding procedures were modified so that the rules of equal opportunity, transparency and non-discrimination in the selection procedures are enhanced while the rules are well-understandable for the beneficiaries of assistance. In 2008, the Managing Authority

organised specialised seminars about this issue that were designed directly for potential beneficiaries in order to emphasise the importance of these rules, where particular examples were presented.

The Managing Authority was continuously providing training for its employees who are responsible for supervising the aforementioned duty.

Horizontal themes

According to Art. 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 (hereinafter “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 have been respected and supported in programming, preparing the implementation structure, and working on underlying documents for applicants as well as in choosing projects to be funded, where the ROP SE applies assessment criteria focused on the area concerned. In activities that show a relation to equal opportunities, the applicants/ potential beneficiaries are obligated to demonstrate the positive /neutral impact of the projects on equal opportunities. Applicants/ beneficiaries of assistance must not breach in the equal opportunities principle in relation to the implementation of the project (for example, in terms of new job positions, target groups, selective procedures, etc.)

In regards to environmental impact, the programming documentation requires that all supported projects be at least environmentally neutral whereas projects with a positive environmental impact are awarded more points.

In 2008, audits conducted at the Managing Authority did not reveal any system infringements of EU law or national law by funding beneficiaries. The most frequent irregularities are related to the area of procurement. Nevertheless, because of the ex-post disbursement system such irregularities are revealed before the subsidies have been paid out hence the Community budget is not in risk. Anyway, the Managing Authority considers this as an issue and – in response – the Managing Authority will organise educative seminars for beneficiaries of assistance and provide consultancy.

2.3 Significant Problems and Measures Taken to Overcome Them

Under the procedure in Art. 62 (1) (d) (i) of Regulation 1083/2006, for the period from 1 January 2007 to 30 June 2008, the audit body did not reveal any major problems related to the Operational Programme.

Among issues related to the implementation of the ROP SE, the following problematic areas were found in 2008: the monitoring information system and missing connection with the UIS (the IS is not very user-friendly, the response to user requirements is too long); fluctuating CZK/EUR exchange rate (influence on real allocation of the funds provided); anticipated financial crisis and economic recession with influence on the bonity rate of the potential beneficiaries of assistance under new loan conditions. Another issue is mistakes made by the beneficiaries during contracting procedures.

For the purposes of elimination of the problem related to the information system, the Managing Authority has taken measures to ensure that the functionalities of the information system correspond to the ROP

documentation or comply with user's needs. In addition, manuals and guidelines were issued to make the use of the information system easier for the user.

In 2008, calls were announced for proposals to be submitted under entire ROP priority axes. In light of the development of the Czech currency exchange rate on foreign currency markets (the rate was considerably fluctuating during the year - ECB 1.1.2008 26.58 CZK/EUR; ECB 1. 7. 2008 24.00 CZK/EUR; ECB 31.12.2008 25.18 CZK/EUR) and viewing the potential risk in respect to the n+3 and n+2 rules, the MA will take fluctuating exchange rate in consideration while planning further calls. Inflation development is important too (in particular in the construction sector) as its influence on accomplishment with ROP targets may be negative as well. Besides the measures taken for monitoring of the exchange rate and the inflation development, drawing from the funds by the ROP beneficiaries will be continuously monitored with regard to the aforementioned n+3 and n+2 rules.

In 2008, no problems were indicated in connection with general functions of managing and inspection systems ROP SE (in compliance with Art. 71 of Regulation 1083/2006) or in relation with staffing required in terms of the Operational Programme that may be a risk to the ROP SE implementation process. The description of the managing and inspection systems was compiled as to 25 September 2008 and sent to the Commission on 24 November 2008.

Among others, the most frequent reasons for rejection of a project are formal mistakes in the application documents and a low score awarded as a result of inappropriate orientation of the proposals towards accomplishment with programme targets, nevertheless, within the environment of a high number of applications that is greater than the allocation for the calls. With support of consultations, seminars, trainings and educational activities via other communication channels, the reasons for rejection in consequence of inappropriateness have been nearly eliminated. The same (successful) measures are applied for both specified causes. The goal is to maintain the high level of the interest in the ROP SE while the quality of the projects is being continuously increased.

2.4 Changes in the Operational Programme Implementation

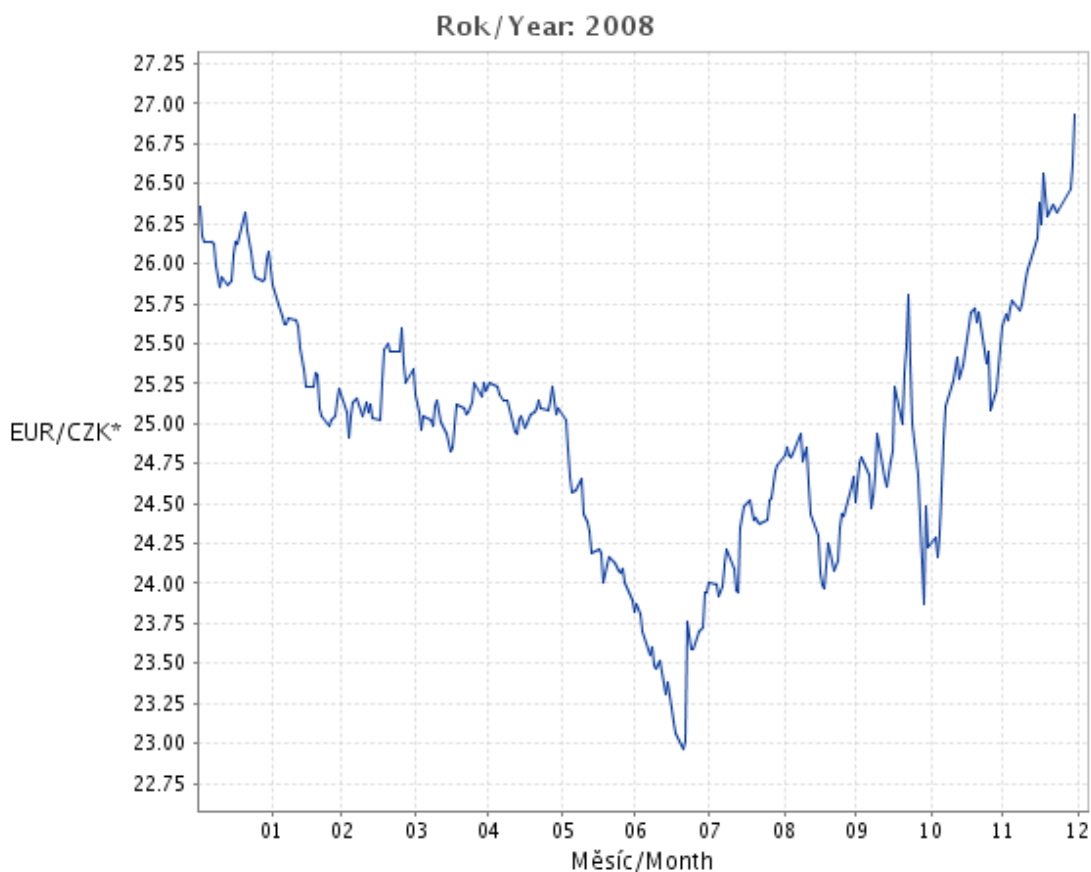
Likely changes in respect to the implementation of the Programme are connected especially with the macroeconomic situation in the Czech Republic. In macro-environment analysing, namely the following is significant: the development of the CZK/EUR exchange rate; the inflation rate (in particular the prices in the construction sector); impacts of the crisis; and the situation on loan markets.

Development of the Exchange Rate EUR/CZK

According to an analysis by the Ministry of Industry and Trade, in the 1st half of 2008 the Czech economy was developing under worsened conditions, which was in particular seen in its weakened global economic growth (caused by increasing uncertainty of the world financial system), increased prices of raw materials, and swift Czech currency firming.

According to an analysis by the Česká spořitelna bank of 2 January 2009, Czech crown firmed between January 2008 and June 2008 by more than 13 %. By an intervention from the Czech National Bank the Czech crown weakening was started then.

Graph 4: Development of the Exchange Rate EUR/CZK on foreign exchange markets



Source: www.cnb.cz

Inflation rate

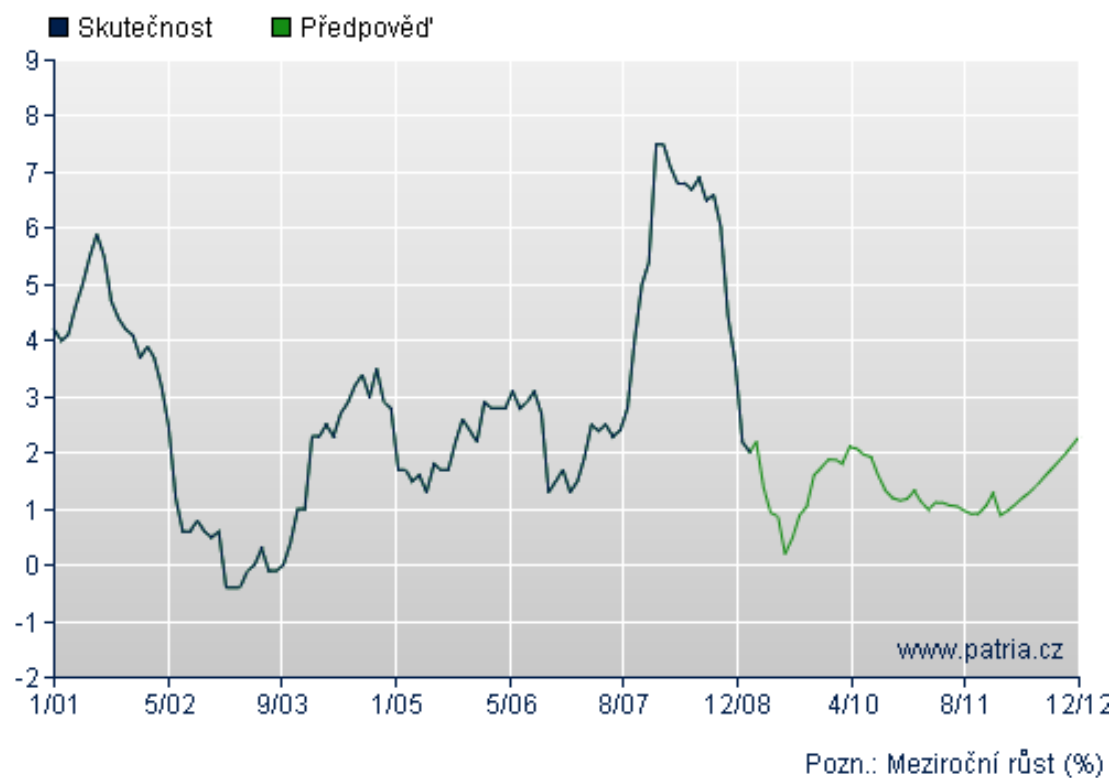
A reasonable inflation rate is an important indicator of healthy economy as it is inflation that affects on purchasing power of the population, prices in the construction sector and Czech crown exchange rates.

According to the Czech Statistical Office, the interannual inflation rate in 2008 was (average) 6.3% (compared to the interannual inflation rate in 2007 equal to 2.8%), which may result in an anticipated higher inflation rate for the year 2009, hence possibly increased budget items in the projects submitted for assessment.

Consumer prices

Graph 5: Development in Consumer Prices

Skutečnost	Real situation
předpověď	Forecast
Pozn. meziroční růst %	Note: interannual growth (%)



Source: <http://www.patria.cz/ekonomika/ukazatel/inflace.html>

Financial situation in the construction sector

According to an analysis by the Ministry of Industry and Trade² available as to 1 April 2009, dealing with the financial situation in the construction sector in the first half of 2008, the financial indicators of building companies reached a very good interannual rate of growth (the book added value in the construction sector shows a change equal to 7.8 %, compared to the 1st half of 2007). The reason is that considerable financial means have been flowing in the construction business even at present, in particular due to more intensive use of the finances provided by European funds.

Loan markets

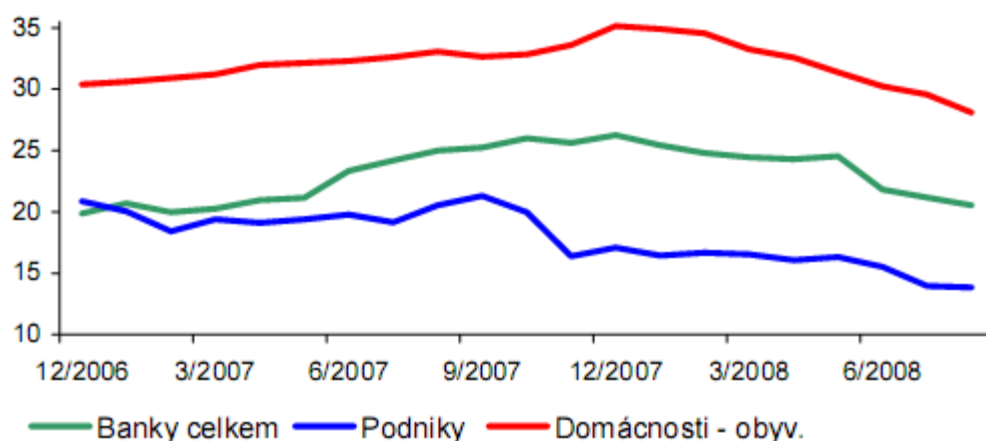
According to the Report issued by the Czech National Bank, in regard to loans, the rate of growth is high. The growth is related both to physical persons and to medium and large companies. Evaluating loan-related risk, banks increase their requirements for client's credibility.

Graph 6: Interannual Dynamics of Bank Loan Development

Meziroční dynamika růstu bankovních úvěrů	Interannual dynamics of bank loan development
Banky celkem	Banks (total)
Podniky	Enterprises
Domácnosti -obyv.	Households (population)
Pramen: ČNB	Source: Czech National Bank

² <http://www.mpo.cz/dokument47753.html>

Meziroční dynamika růstu bankovních úvěrů (%)



Pramen: ČNB

Source:

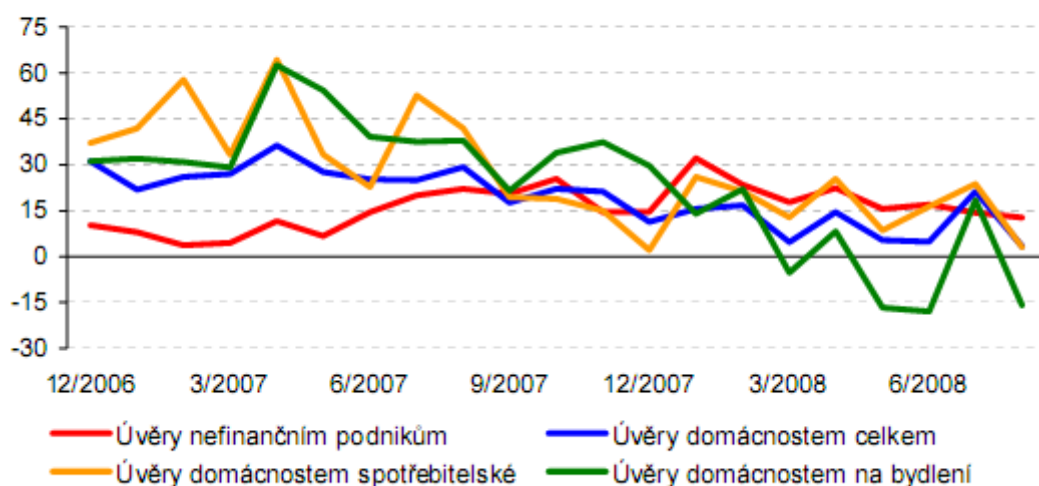
http://www.cnb.cz/m2export/sites/www.cnb.cz/cs/verejnost/pro_media/konference_projevy/vystoupeni_pr_ojevy/download/Holman_20081008_uverova_krize.pdf

Graph 7: Interannual Dynamics of New Loans Provided (in Czech crowns)

Meziroční dynamika vývoje nových korunových úvěrů	Interannual dynamics of new loans provided (in Czech crowns)
%, banky celkem	%, banks (total)
Úvěry nefinančním podnikům	Loans provided to other than financial companies
Úvěry domácnostem celkem	Loans provided to households (total)
Úvěry domácnostem spotřebitelské	Consumer credits

Úvěry domácnostem na bydlení	Loans for housing
Pramen: ČNB	Source: Czech National Bank

Meziroční dynamika vývoje nových korunových úvěrů
(%, banky celkem)



Pramen: ČNB

http://www.cnb.cz/m2export/sites/www.cnb.cz/cs/verejnost/pro_media/konference_projevy/vystoupeni_projevy/download/Holman_20081008_uverova_krize.pdf

2.5 Substantial Modifications

In implementing the ROP SE in 2008, no substantial changes with respect to Article 57 of the General Regulation (EC) No 1083/2006 were observed. The procedure of monitoring of operation sustainability is prepared in the ROP SE and ready for monitoring and evaluation. In light of the current financial situation, it is important to monitor not only creation of job positions but their sustainability as well.

2.6 Complementarity with Other Instruments

The 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 other existing financial instruments (Article 9 (4) of the General Regulation). In 2008, no major difficulties were found that would relate to the implementation of the coordination, to the creation and fulfilment of

synergic connections or to other collaboration with managing authorities of other Operational Programmes.

2.6.1 Coordination of Assistance on the National Strategic Reference Framework (NSRF)

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. In 2008, the National Coordination Authority organised total 5 working teams dealing with current issues that had arisen during the early stage of the implementation with participation of all relevant Managing Authorities. In addition, the National Coordination Authority supports synergic connections by means of implementation of the project "Provision of synergic connections between Operational Programmes in the 2007-2013 programming period", whose objective is to identify the synergic connections and the coordination mechanisms concerned. During the first two stages of the project, the connections that may be potentially synergic were classified, and coordination mechanisms corresponding with those connections have been analysed.

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 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. To enhance the importance and support the development of synergic connections between the ROP and other Operational Programmes, these connections are awarded with extra points.

Another considerable platform for coordination, exchange of experience and presentation of latest trends, in particular in the area of urban development, is a regular working team for urban problems with participation of representatives of the ROP, IOP and sector operational programmes. In addition, the working team provides national coordination and a solution for problems related to the Integrated Town Development Plan.

Coordination with the Integrated OP

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 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 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.
- 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 regular work team for urban development issues – problems related to the Integrated Town Development Plan

In the area of public health, projects related to medical equipment and to the prevention of health risks are 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 mainly supports 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.

Coordination with the OP Transport

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 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 secures the exchange of information and the parties 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 Environment is regularly informed about projects of brownfield regeneration submitted to the ROP SE and the OP Enterprise and Innovation.
- The Ministry of the Environment regularly informs 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 secures 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 occurs 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. On the contrary, the synergy effect is achieved in particular through combined interventions by the ESF and the ERDF under the Integrated Town Development Plans and additional points within the evaluation.

In the European Territorial Cooperation objective, two bilateral operational programmes of cross-border cooperation are 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 EFF

In accordance with the relevant regulations by the European Commission and the European Community, the support related to the policy of economic and social cohesion was unambiguously separated from interventions funded from the European Agricultural Fund for Rural Development (EAFRD) and the European Fishing Fund (EFF) in order to reach a synergy effect, to prevent overlaps and to eliminate uncovered areas.

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 deals 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 on condition that 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 complements 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 are 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). In addition, during project assessment, synergic connections are awarded with extra points.

2.6.4 Use of innovative financial instruments

In case of Priority Axis ROP No 3 - 'Sustainable development of towns and rural areas' - it is anticipated that JESSICA, the financial instrument, may be used (or, alternatively, other instruments of financial engineering). An integrated approach for sustainable development of towns and cities will be applied. Here, planning and decision-making related to urban investments, based on Integrated Town Development Plans, is essential. The new initiative, the JESSICA, is focused on the Public Private Partnership or other urban projects creating income, incorporated in the Integrated Town Development Plans, with the view of financial power and recycling of sources of the operational programmes invested in these projects. Here, the Managing Authority plans to support projects under the JESSICA initiative, in order to enhance – where appropriate – investing from the funds designed for urban development in urban projects generating income.

2.7 Monitoring Arrangements

Programme monitoring

The Monitoring Information System ms2007 (IS) is designed as a system of information systems that communicate with each other at three basic levels of the monitoring. For the ROP SE, the three levels are:

- The central and control level (all OPs) – IS MSC 2007

- The executive level (individual OPs) – IS MONIT7+
- The beneficiary's level – IS BENEFIT7

The body responsible for development, operation, administration of the IS MSC2007 and support provided to the users, and for adjustment of general parts of the IS MONIT7+ that are common for all OPs, is the Ministry for Regional Development of the Czech Republic, namely the Monitoring System Administration Department and the Regional Development Centre of the Czech Republic.

In 2008, the Monitoring Information System - ms2007 (IS) - was further adjusted. The biggest problems were solved and the system was stabilised. Various functionalities were added in order to make the administration of the projects and the whole Programme easier.

Here, the ROP SE Managing Authority defined requirements for adjustment of the Information System and presented them in front of work teams: the problems were addressed in cooperation with representatives of the National Coordination Authority, Regional Development Centre and representatives of the Managing Authority and other OPs. In addition, a new work team was established in order to develop a unified monitoring system (they took place of the previous IS Optimisation Work Team). Their main task is to develop the system and incorporate required functions. Meetings of this work team are held with participation of representatives of all Managing Authorities, of the National Coordination Authority and the Paying and Certifying Authority.

For the purposes of submission of applications for subsidies, the IS BENEFIT7 worked in full. In order to increase user's comfort and make the administration of projects easier, a new functionality was added – submission of Simplified Requests for payment through the IS BENEFIT7. Another functionality – submission of Monitoring Reports and Reports on Progress through the IS BENEFIT7 – was set in operation in a testing database only. The Managing Authorities closely cooperate on other adjustments, namely on harmonisation of the aforementioned functionalities.

The IS MONIT7+ was adjusted in order to be compatible with the aforementioned new IS BENEFIT7 functionalities. In addition, the existing functionalities were modified since the automation will considerably contribute to smooth and prompt administration of projects. A series of output sets was developed in order to monitor the implementation of the projects and the Programme, both from the view of the physical progress and the financial progress as well.

The Managing Authority is not responsible for the development of the IS MSC2007 system. This area is covered by the Ministry for Regional Development, namely by the Monitoring System Administration Department.

In relation to the development of the IS, the system itself is regularly tested at all levels. The data transfer testing serves not only for verification of the functions but for identification of requirements on adjustments.

During adjustments made on the IS and during the IS testing, certain problems were indicated that are related to the functions; some other problems were found even during the administration process related to applications and projects.

The problems were divided in two areas:

- Operation-related problems: these problems were eliminated in cooperation with the supplier, with use of e-mail communication via help addresses; problems that needed instant solutions were consulted on the phone as well;
- Long-lasting or system problems: these problems were eliminated by work teams dealing with the IS and monitoring.

In addition, last year the evaluation capacity of the ROP SE was developed (and the implementation of continuous evaluations as well).

Implemented continuous evaluations are based on approved evaluation plan. They are prepared so that current and long-term needs of the Managing Authority, the National Coordination Authority and the Commission are reflected (following from the approved Evaluation Plan ROP SE 2007 – 2015.) In addition, as evaluations are conducted by renowned external evaluators, the evaluators come up with new view of the implementation of the ROP SE that may be subsequently applied onto the practice - management and implementation of the Programme.

Evaluation activities

In 2008, the below-listed evaluation procedures were conducted or commenced:

- Evaluation of the implementation of the ROP SE and assessment of evaluation-related activities – continued in 2009

The purpose and the subject-matter of the evaluation is, in particular, assessment of the physical and financial progress of the whole ROP SE and its priority axes, including suggestions and recommendations for improvement in regard of the management and implementation of the Programme.

- Assessment of the function of the indicator system for the ROP SE and a design for better quality; continued in 2009

Here, the purpose is to provide better quality of the indicator system for the ROP SE so that proper quality data may be provided for future continuous and final assessment on accomplishments – meeting the targets of the ROP SE and its contribution to the NSRF and Community policies. The specific subject-matter of the assignment is assessment on the whole indicator system for the ROP SE, particular indicator, designed completion, design for values that have not been dealt with in the ROP SE programme document , and determination of availability of appropriate external data sources.

- Analysis and evaluation of the Guidelines for applicants and beneficiaries ROP SE ; continued in 2009

The purpose of the assignment is to provide better quality of the documentation for applicants and beneficiaries of subsidies from the Regional Operational Programme NUTS 2 South-East (ROP SE), and that both the content and the user's comfort. The specific subject-matter is an analytic evaluation of the text in the Guidelines for applicants and beneficiaries ROP SE and (selected) other documentation directly connected with applicants and beneficiaries.

- An evaluation system for projects and assessment criteria ROP SE; continued in 2009

The purpose is an identification, evaluation and particular recommendations for weak points within the internal process of evaluation and selection of projects, i.e. from the stage of registration of applications, through the evaluation and selection, to announcement of results and entering in contracts. In particular, a sophisticated design of assessment criteria will be created for particular activities within the areas of support of the ROP SE, resulting in better quality of the selection process.

- Information about the implementation and drawing from the ROP South-East – the activity was completed in 2008

The subject-matter is provision of regular information on the progress and issues related to the implementation of the ROP SE. The target group is the (professional) public and, in particular, members of the Monitoring Committee ROP SE and the management of the Regional Council NUTS 2 SE.

- An evaluation study on a change of the point limit for the selection process – the activity was completed in 2008

The Evaluation Study was focused on assessment criteria and on the Methodological guidelines for assessors and external experts. The main conclusion of the Study was that the limit at the level of 60 points is too high, which – in consequence – may result in many eliminated projects. It was concluded in the Study that – in regard to strictness of the approved criteria – appropriate quality of projects is guaranteed even if the score reaches 50 points.

2.8 Potential national performance reserve

For 2008, this chapter is irrelevant.

3 IMPLEMENTATION BY PRIORITY AXIS

3.1 Priority Axis 1

3.1.1 Achievement of Targets and Analysis of the Progress

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

Table 14: Fulfilment of the Output Indicators of Priority Axis 1

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of Indicator								
511100	The number of funded projects aimed at transport infrastructure development (transport accessibility)	The number of funded projects aimed at transport infrastructure	Managing Authority	Achieved	0	6	N/A	6
Core 13				Starting	0	0	N/A	0
Output				Planned	N/A	N/A	91	91
610241	The number of newly acquired ecological vehicles for public transport	The number of vehicles	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	15	15
610244	The number of newly acquired vehicles (for rail and traction public transport)	The number of vehicles	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	9	9

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of Indicator								
610100	The total length of new and modernised roads (2nd and 3rd Class roads)	Kilometres of roads	Managing Authority	Achieved	0	16.93	N/A	16.93
Core 16				Starting	0	0	N/A	0
Output				Planned	N/A	N/A	270	270
610301	The number of modernised regional airports	The number of projects	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	1	1
610111	The length of newly built cycling routes where power-operated transport is excluded	The length of new separated cycling routes (km)	Managing Authority	Achieved	0	1.64	N/A	1.64
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	40	40
610109	The length of newly built or modernised bypasses around municipalities	km	MA	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	12	12
610108	Share of modernised roads on the total	Share (%)	MA	Achieved	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of Indicator								
Result	length of 2nd and 3rd Class regional roads			Starting	0	0	N/A	0
				Planned	N/A	N/A	3	3
610205	Increase in the number of people serviced by public transport	Thousands of people	Public transport authority, operators	Achieved	0	N/A	N/A	N/A
Result				Starting	424470	0	N/A	424470
				Planned	N/A	N/A	461000	461000
610211	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	0	N/A	0
Result				Starting	257	0	N/A	257
				Planned	N/A	N/A	650	650
610249	The number of new or modernised transfer terminals for public transport	Number	Managing Authority	Achieved	0	1	N/A	1
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	20	20
611105	The number of users of new cycling and horse routes after the 1st year in	The number of users	Managing Authority	Achieved	0	20 800	N/A	20 800
Result				Starting	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of Indicator								
	operation			Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority
610300	The number of travellers serviced at regional airports	The number of travellers	Managing Authority	Achieved	0	506 174	N/A	506 174
Impact				Starting	315000	0	N/A	315000
				Planned	N/A	N/A	450000	450000
653107	Noise reduction	Percentage of inhabitants living in areas where noise limits are exceeded according to Noise Maps (%)	Managing Authority	Achieved	0	0	N/A	0
HT				Starting	Noise Maps elaborated by the Ministry of Health	0	N/A	Noise Maps elaborated by the Ministry of Health
				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of Indicator								
								Authority
653103	Emissions of tropospheric ozone precursors	Total annual emissions of tropospheric ozone: VOC, NOx, PCO a CH4 - kilotonnes	Managing Authority	Achieved	0	0	N/A	0
HT				Starting	Region	0	N/A	Region
				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority
653104	Decrease in the emission of primary particles and secondary particulate precursors	Total annual emissions of primary particles PM10 and emissions NOx, SO2, and NH3	Managing Authority	Achieved	0	0	N/A	0
HT				Starting	Region	0	N/A	Region
				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority

Source: Monit 7+, ORC SE

Under Priority Axis 1 - Transport Infrastructure Development - physical progress was indicated in the cohesion region that is reflected in the achieved values of the indicators in area of support 1.4 – Unpowered transport infrastructure development. Within the implemented projects, 1.1 km of cycling routes were built with powered transport excluded. As of 31 December 2008, 43 projects were approved.

3.1.1. B Qualitative Analysis

Table 15: Progress of the Implementation of Priority Axis 1

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>
1.1	300 425 345	46	98 021 013	1	14	21 632 058	31	73 431 903	15 302 472	5 865 756
1.2	40 952 244	11	9 336 816	1	4	3 280 892	6	4 678 700	752 466	-
1.3	43 581 233	2	26 667 665	-	2	26 667 665	-	-	-	-
1.4	21 133 369	27	15 451 599	6	15	8 584 057	6	1 323 837	497 276	-
Total	406 092 191	86	149 477 093	8	35	60 164 672	43	79 434 440	16 552 214	5 865 756
	% allocation	%***	% allocation	%***	%***	% allocation	%***	% allocation	% allocation	% allocation
	= b/b	= c/c	= d/b	= e/c	= f/c	= g/b	= h/c	= i/b	= j/b	= k/b
1.1	100	100	32.6	2.2	30,4	7.2	67.4	24.4	5.1	2.0
1.2	100	100	22.8	9.1	36.4	8.0	54.5	11.4	1.8	-

1.3	100	100	61.2	-	100.0	61.2	-	-	-	-
1.4	100	100	73.1	22.2	55.6	40.6	22.2	6.3	2.4	-
Celkem	100	100	36.8	9.3	40.7	14.8	50.0	19.6	4.1	1.4

Source: IS Monit7+, ORC SE

Notes:

Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

* Public subsidy funds (Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

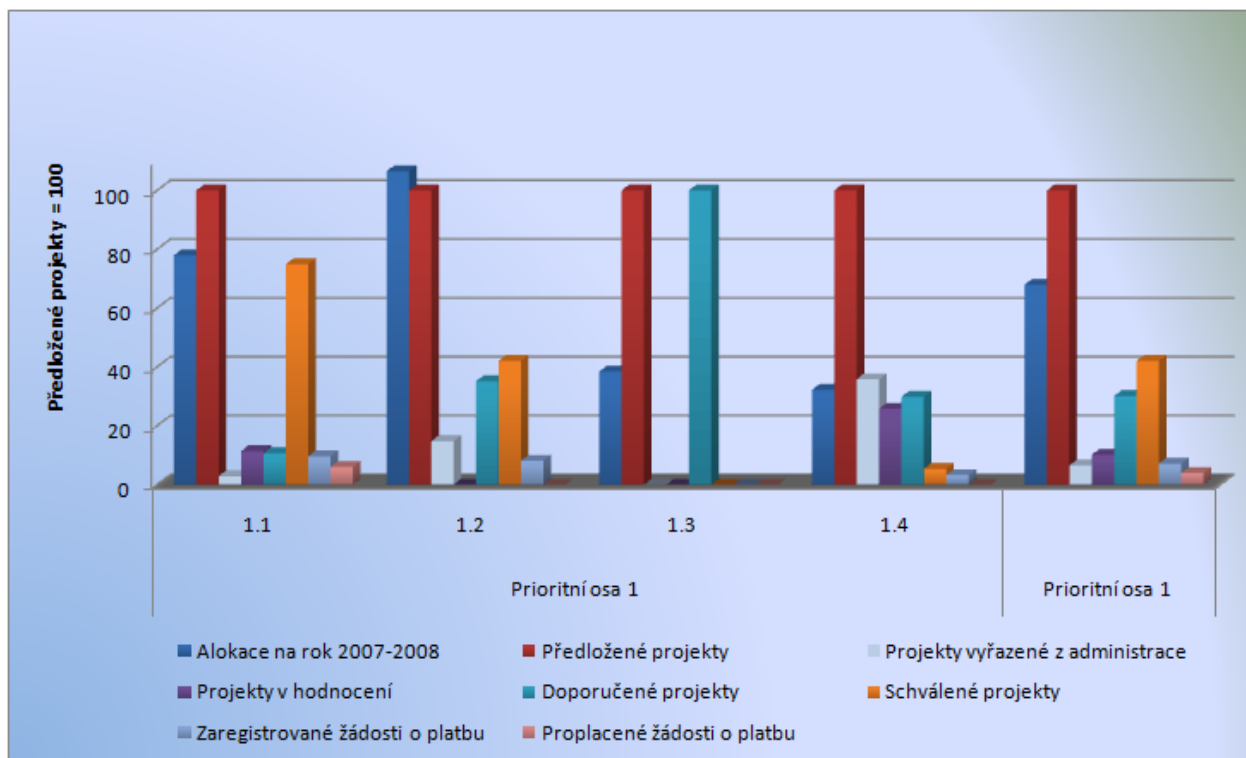
** Out of approved/implemented projects

*** Percentage of submitted projects

The most successful area of support under this priority axis is area 1.1. It ranks first as measured by the number of 46 submitted projects totalling more than EUR 98 million, of which 31 projects totalling more than EUR 73 million were approved. In addition, 15 requests for payment were submitted from which almost EUR 6 million was paid in 2008.

Graph 8: Progress of the Implementation of Priority Axis 1

(the amount of public subsidy funds for the projects according to the administration status)

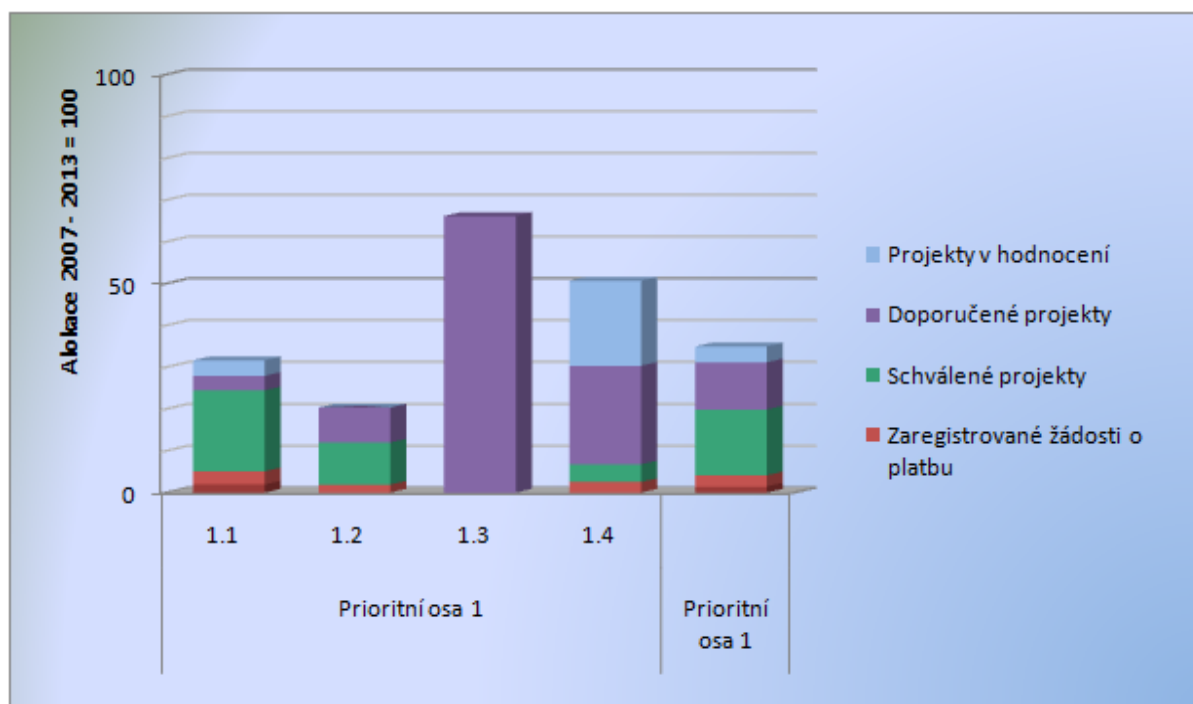


Source: Monit 7+, ORC SE

Prioritní osa 1	Priority Axis 1
Allocation na rok 2007-2008	Allocation for 2007-2008
Předložené projekty=100	Submitted projects=100
Projekty v hodnocení	Projects under evaluation pending
Zaregistrované žádosti o platbu	Requests for payment - registered
Předložené projekty	Submitted projects

Doporučené projekty	Project recommended for funding
Proplacené žádosti o platbu	Requests for payment – paid out
Projekty eliminované z administrace	Projects eliminated from administration
Schválené projekty	Approved projects

Graph 9: Project Pool of the ROP SE (as of 31 December 2008) – areas of support under Priority Axis 1 (amount of the projects according to the administration status, allocation 2007 - 2013 = 100)



Source: Monit 7+, ORC SE

Prioritní osa 1	Priority Axis 1
Allocation 2007-2013= 100	Allocation 2007-2013 =100

Projekty v hodnocení	Projects under evaluation pending
Zaregistrované žádosti o platbu	Requests for payment - registered
Předložené projekty	Submitted projects
Doporučené projekty	Project recommended for funding
Schválené projekty	Approved projects

By the end of 2008, under the Priority Axis, projects of amount equal to EUR 149 million of public subsidy funds of subsidy were submitted, which is 36.8 % of the total allocation for the Priority Axis. The allocation for the period 2007-2008 was exceeded by 47.2 %. Out of total 86 submitted projects, 8 projects were eliminated during the evaluation process. Before the end of 2008, total 43 projects were approved, of total EUR 79.4 million of public subsidy funds of subsidy.

In entire areas of support under the Priority Axis (with exception of 1.2), the amount of submitted projects exceeded the aggregate allocation for the years 2007 and 2008. The biggest project pool (66.2 % of the total allocation) is seen in the areas of support 1.3 and 1.4 (50 % of the total allocation). As to 31 December 2008, the area of support 1.1 disposed of the project pool equal to 31.6 % of the total allocation in the area of support 1.2 at amount equal 20.4 %.

In regard to achieved values of the physical progress, as for the projects implemented already, it is assumed that their impact may be expected in the below-listed segments of horizontal themes.

The principle of equal opportunity is respected because the subject-matter is 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 generated by road vehicles; shortening of transport times and smoothness of transport. Furthermore, changes in the surface of the road 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.

A good example is the project application No CZ.1.11/1.1.00/01.00003 – ‘Road II/422 - Lednice, road re-laying’ that was submitted in the area of support 1.1. The project was implemented in the southern part of the cohesion region South-East, in the proximity of the border with Slovakia and Austria. The road is 2nd Class road, whose relaying will improve the connection of the region to the TEN-T supra-regional road network in the city of Břeclav that is situated at a very important rail junction. The project is extremely important for elimination of adverse impacts of transport on the population (emissions, noise)

and for elimination of safety risks (installation of slowdown bands, narrow lanes, blocking of some selected lateral streets).

Fig. 2. Road II/422 – Lednice – before the implementation



Source: Office of the Regional Council South-East

Fig. 3. Road II/422-Lednice – after the implementation



Source: Office of the Regional Council South-East

3.1.2 Significant Problems Encountered and Measures Taken to Overcome Them

In 2008, a complex process of notification to support of purchase of ecologic buses and acquisition and modernisation of rail and traction vehicles was conducted for the reason of the specific orientation and intensity of regional support to public transport and to avoid overlap with other operational programmes.

3.2 Priority Axis 2

3.2.1 Achievement of Targets and Analysis of the Progress

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

Table 16: Fulfilment of the Output Indicators of Priority Axis 2

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
511200	The number of funded projects for the development of tourism	The number projects focused on the development of tourism	Managing Authority	Achieved	0	1	N/A	1
Core 34				Starting	0	0	N/A	0
Output				Planned	N/A	N/A	250	250
630100	The number of new or modernised beds	The number of new beds	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	120	120
610115	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	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	150	150

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
		(km)						
632200	The number of renovated historical monuments	The number of renovated historical monuments that have been made accessible for tourists	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	30	30
633101	The number of promotional or marketing products created for tourism	Number	Managing Authority	Achieved	0	3	N/A	3
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	56	56
633111	The number of products created for the orientation and directing of visitors	Number	Managing Authority	Achieved	0	1	N/A	1
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	95	95
632102	The number of newly certified lodging facilities in tourism	The number of certified lodging facilities	Certification authorities	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	15	15

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
632300	The number of new and modernised areas of tourism infrastructure	The number of items	Managing Authority	Achieved	0	1	N/A	1
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	18	18
520212	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	0	N/A	0
Core 35				Starting		0	N/A	
Result				Planned	N/A	N/A	200	200
520101	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	0	N/A	0
Core 02				Starting	0	0	N/A	0
HT				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
520102	The total number of new jobs 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	0	N/A	0
Core 03				Starting	0	0	N/A	0
HT				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority

Source: Monit 7+, ORC SE

In Priority Axis 2 in 2008, focused on sustainable tourism, one piece of tourist infrastructure was valued (Area of support 2.1 Development of infrastructure for tourism). In addition, 22 promotional and marketing products for tourism were created (i.e. 39% of the planned value) and one product meant for the orientation of visitors (Area of support 2.2 Development of services in tourism). In 2008, 57 projects were begun and one project was completed.

3.2.1. B Qualitative Analysis

Table 17: Progress of the Implementation of Priority Axis 2

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>
2.1	133 844 669	197	113 305 197	113	49	32 400 819	35	17 210 348	2 250 955	117 180
2.2	23 619 648	110	11 751 741	65	23	3 348 343	22	2 995 296	132 254	39 509
Total	157 464 317	307	125 056 939	178	72	35 749 162	57	20 205 645	2 383 209	156 688
	% allocation	%***	% allocation	%***	%***	% allocation	%***	% allocation	% allocation	% allocation
	= b/b	= c/c	= d/b	= e/c	= f/c	= g/b	= h/c	= i/b	= j/b	= k/b
2.1	100	100	84.7	57.4	24.9	24.2	17.8	12.9	1.7	0.1
2.2	100	100	49.8	59.1	20.9	14.2	20.0	12.7	0.6	0.2
Total	100	100	79.4	58.0	23.5	22.7	18.6	12.8	1.5	0.1

Source: IS MONIT7+

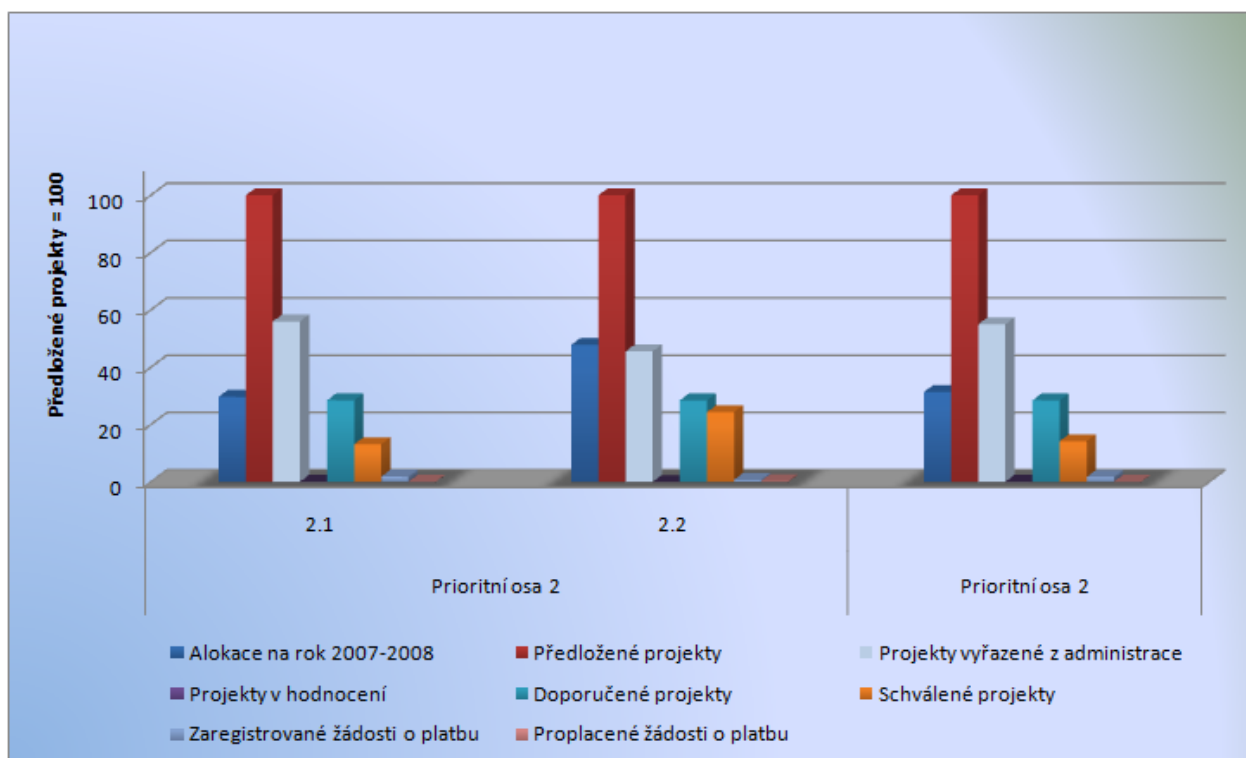
Notes:

* Public subsidy funds (Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

** Out of approved/implemented projects

*** Percentage of submitted projects

Graph 10: Progress of the Implementation of Priority Axis 2 (the amount of public subsidy funds according to administration status)



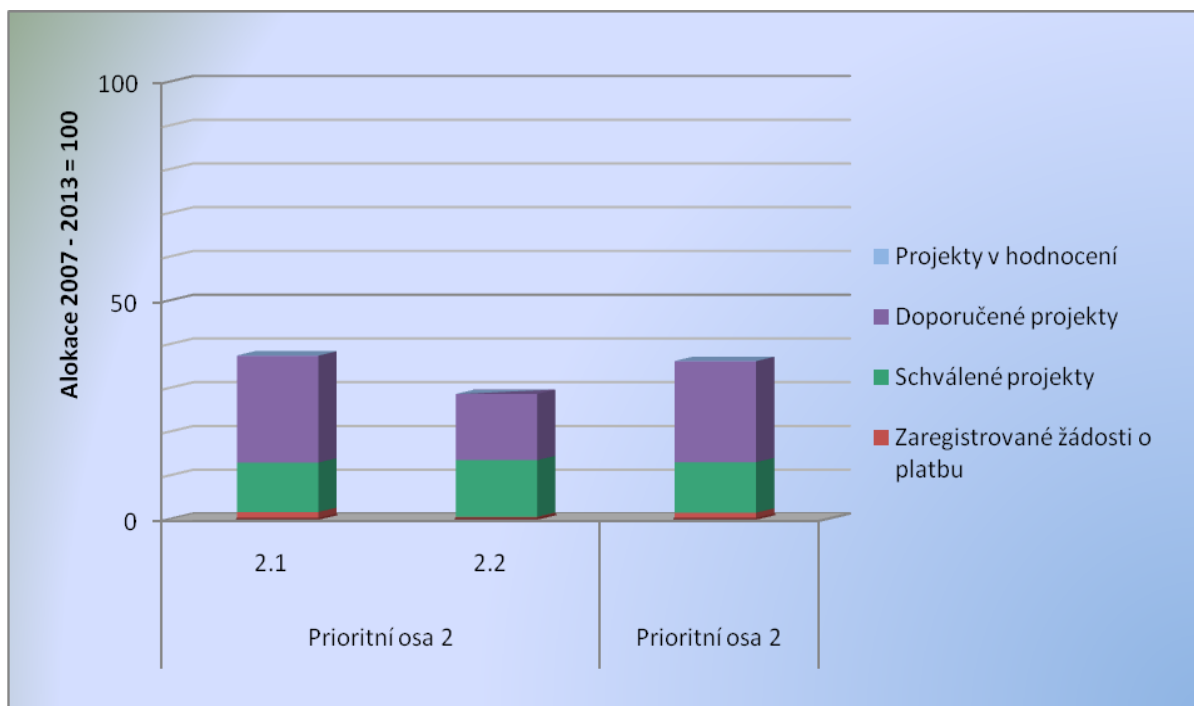
Source: Monit 7+, ORC SE

Předložené projekty=100	Submitted projects = 100
Prioritní osa 2	Priority Axis 2
Allocation na rok 2007-2008	Allocation for 2007-2008
Projekty v hodnocení	Projects with evaluation pending
Doporučené projekty	Projects recommended for funding

Schválené projekty	Approved projects
Zaregistrované žádosti o platbu	Requests for payment -registered
Předložené projekty	Submitted projects
Proplacené žádosti o platbu	Requests for payment – paid out
Projekty vyřazené z administrace	Projects eliminated from administration

The most successful area of support under this priority axis was area of support 2.1, especially when measured by the volume of used allocation. As for the number of submitted projects, there were 197 submitted projects totalling over EUR 113 million. From these, 35 projects equalling more than 17 million were approved during the monitored period. In addition, 2 requests for payment were submitted from which EUR 117 000 was paid in 2008.

Graph 11: Project Pool of the ROP SE (as of 31 December 2008) - areas of support under Priority Axis 2 (amount in the projects according to the administration status, allocation 2007 - 2013 = 100)



Source: Monit 7+, ORC SE

Allocation 2007-2013 = 100	Allocation 2007-2013 =100
Prioritní osa 2	Priority Axis 2
Projekty v hodnocení	Projects with evaluation pending
Doporučené projekty	Projects recommended for funding
Schválené projekty	Approved projects
Zaregistrované žádosti o platbu	Requests for payment - registered

By the end of 2008, under this Priority Axis, projects valued at EUR 125 million of public subsidy funds were submitted, which is 81.0% of the total allocation for this Priority Axis. The Allocation for 2007-2008 was exceeded by 318 %. During the evaluation process, of 307 submitted projects, 58% (178) of the projects were eliminated. Before the end of 2008, 57 projects were approved, at an amount of EUR 20.2 million of public subsidy funds. Of the 72 projects now being administered, 70 are “recommended for funding”.

In either area of support under the Priority Axis, the amount of the submitted projects exceeded the aggregate allocation for 2007 and 2008 by 336.7 and 209.0% respectively. As of 31 December 2008, in area of support 2.1, the available project pool was equal to 37.5% of the total allocation; in area of support 2.2, the amount was 28.7% of the total allocation.

An example of a project under this Priority Axis is the “Sladovna Hotel” project in Černá Hora.

In addition to the basic production programme i.e. the production of beer and soft beverages, the Černá Hora Brewery operates in the branch of development of tourism and sports in the region. The Brewery is situated in a hilly region in the northern part of the Blansko district, in a municipality with a population of 2 000. The municipality is industrial-agricultural.

The new project generates a basic lodging capacity that will facilitate the connection of the region of Černá Hora with travel agencies. A hotel of appropriate capacity and services may enhance tourism in the region and allow for conference tourism and company events that are often asked for in the region.

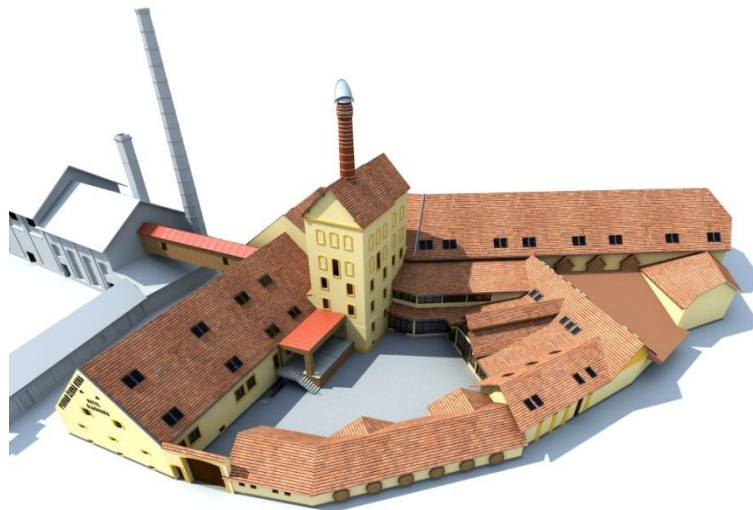
The subject-matter of the project is the construction of a four-star hotel named Sladovna (i.e. malt-house) with a capacity of 87 beds, with a conference hall, a hunters’ lounge and other facilities, such as a restaurant, an alehouse and a multiple-purpose room. There will be also a swimming-pool that is 4.6x10.3 m with a depth 1.3 -1.6 m and 23 parking spaces (with 1 space designated for wheelchairs and 1 space for coaches).

Fig. 4: Project “Sladovna Hotel” in Černá Hora (before the implementation)



Source: Office of the Regional Council South-East

Fig. 5. Project “Sladovna Hotel”– visualisation, anticipated situation after the implementation)



Source: Office of the Regional Council South-East

3.2.2 Significant Problems and Measures Taken to Overcome Them

As for Priority Axis 2, there is a great interest in subsidies from the ROP SE on the side of applicants. Most of the project proposals were rejected for non-compliance with the Programme targets. The situation is reflected by the measures taken by the Regional Council of the NUTS 2 South-East in the Communication Plan (for example, seminars for beneficiaries and applicants).

3.3 Priority Axis 3

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

Table 18: Fulfilment of Output Indicators of Priority Axis 3

Code NCI								
EU /Lisbon Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
Type of indicator								
511518/19	Number of funded projects that increase the attractiveness of urbanisation centres – 0 which:	Number of funded projects	Managing Authority	Achieved	0	0	N/A	0
Core 39				Starting	0	0	N/A	0
Output				Planned	N/A	N/A	10	10
511519	Brno		Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	6	6
511518	Jihlava		Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	4	4
511531	Total Number of funded	Number of supported	Managing	Achieved	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
Core 39	projects increasing the attractiveness of selected cities	projects	Authority	Starting	0	4	N/A	4
Output				Planned	N/A	N/A	38	38
512100	Total Number of funded projects increasing attractiveness of rural centres	Number of funded projects	Managing Authority	Achieved	0	1	N/A	1
Core 39				Starting	0	0	N/A	0
Output				Planned	N/A	N/A	35	35
650101	Area of regenerated and revitalised spaces in towns	Area (sq km)	Managing Authority	Achieved	0	2.8	N/A	2.8
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	2.2	2.2
650505	Area of regenerated and revitalised spaces in rural areas	Area (sq km)	MA	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	0.6	0.6
650100	Total area of regenerated and revitalised	Area (sq km)	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0

Code NCI								
EU /Lisbon Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
Type of indicator								
	spaces			Planned	N/A	N/A	2.8	2.8
651100	Total area of renovated and revitalised buildings in towns	Floor space (sq m)	Managing Authority	Achieved	0	28 000	N/A	28 000
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	86000	86000
651500	Total area of new regenerated and revitalised buildings in rural areas	Floor space (sq m)	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	61000	61000
651103	Area of renovated and revitalised buildings for social services and health care	Floor space (sq m)	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	15000	15000
651104	Area of renovated and revitalised buildings used for leisure activities	Floor space (sq m)	Managing Authority	Achieved	0	28 000	N/A	28 000
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	102500	102500

Code NCI								
EU /Lisbon Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
Type of indicator								
640102	Number of health care facilities newly equipped with special instruments and equipment	Number of facilities	Managing Authority	Achieved	0	1	N/A	1
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	7	7
640101	Number of educational institutions with new equipment for educational purposes	Number of facilities	Managing Authority	Achieved	0	2	N/A	2
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	22	22
651101	Area of renovated and revitalised buildings used for development of education	Floor space (sq m)	MA	Achieved	0	9 736	N/A	9 736
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	8 000	8 000
651201	Area of newly built facilities for leisure-time activities	Floor space (sq m)	Managing Authority	Achieved	0	1214	N/A	1 214
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	18000	18000
651202	Area of newly built facilities	Floor space	Managing	Achieved	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
Result	for social services	(sq m)	Authority	Starting	0	0	N/A	0
				Planned	N/A	N/A	3750	3750
651203	Area of newly built buildings for educational purposes	Floor space (sq m)	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	3750	3750
651204	Area of newly built buildings for health care	Floor space (sq m)	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	2750	2750
651205	Number of open networks in areas affected by market failure	Number	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	3	0	N/A	3
				Planned	N/A	N/A	8	8
520213	Number of new jobs in projects of sustainable development	Total gross number of new jobs (according to statistics)	Managing Authority	Achieved	0	0	N/A	0
Core 01				Starting		0	N/A	

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
Impact	of towns	provided by the Employment Office, adjusted for full working hours)		Planned	N/A	N/A	15	15
520215	Number of new jobs in projects of sustainable development of rural areas	Total gross number of new jobs (according to statistics provided by the Employment Office, adjusted for full working hours)	Managing Authority	Achieved	0	0	N/A	0
Core 01				Starting	0	0	N/A	0
				Planned	N/A	N/A	4	4
No designation	Number of inhabitants newly covered by broadband internet	Number of inhabitants newly covered by broadband internet	Managing Authority	Achieved	0	0	N/A	0
				Starting	0	0	N/A	0
				Planned	N/A	N/A	Results of an Evaluation Study commissioned by the Managing Authority	Results of an Evaluation Study commissioned by the Managing Authority
651120	Area of newly created or	Area (sq m)	Managing	Achieved	0	1,77	N/A	1,77

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
Impact	reconstructed green spaces		Authority	Starting	0	0	N/A	0
				Planned	N/A	N/A	200 000	200 000
652000	Total area of revitalised unused or derelict sites (brownfields)	Area (sq m)	Managing Authority	Achieved	0	0	N/A	0
Impact				Starting	0	0	N/A	0
				Planned	N/A	N/A	66 000	66 000
520101	Number of new jobs for males	Gross number of new jobs	Managing Authority	Achieved	0	0	N/A	0
Core 02				Starting	0	0	N/A	0
HT				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority
520102	Number of new jobs for females	Gross number of new jobs	Managing Authority	Achieved	0	0	N/A	0
Core 03				Starting	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
HT				Planned	N/A	N/A	Results of the Evaluation Study commissioned by the Managing Authority	Results of the Evaluation Study commissioned by the Managing Authority

Source: Monit 7+, ORC SE

Under Priority Axis 3, focused on 'Sustainable development of towns and rural areas', progress was achieved in the area of infrastructure for education. Altogether 519 sqm of space used for educational purposes were renovated and one educational institution was newly equipped with special equipment for learning (i.e. 6.5 %). In addition, construction work on new buildings designed for leisure-time activities was commenced; the total area of these facilities was 1 214 sqm (i.e. 6.7 %). In 2008, progress is seen in achieved values in horizontal themes, in particular in the indicator "Area of newly created or reconstructed green spaces".

In 2008, total 77 projects proceeded in the implementation stage.

3.3.1. B Qualitative Analysis

Table 19: Progress of Implementation of Priority Axis 3

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>
3.1	95 895 769	6	6 933 344	1	5	6 687 001	0	0	0	0
3.2	58 750 185	127	119 666 176	31	65	60 182 442	31	17 301 374	4 281 124	0
3.3	44 861 338	315	155 982 803	113	173	83 652 299	29	9 703 919	281 578	0
3.4	37 517 946	25	30 449 668	1	7	7 604 829	17	21 130 616	0	0
Total	237 025 238	473	313 031 992	146	250	158 126 571	77	48 135 910	4 562 703	0
	% allocation	%***	% allocation	%***	%***	% allocation	%***	% allocation	% allocation	% allocation
	= b/b	= c/c	= d/b	= e/c	= f/c	= g/b	= h/c	= i/b	= j/b	= k/b
3.1	100	100	7.2	16.7	83.3	7.0	-	-	-	-
3.2	100	100	203.7	24.4	51.2	102.4	24.4	29.4	7.3	-

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
3.3	100	100	347.7	35.9	54.9	186.5	9.2	21.6	0.6	-
3.4	100	100	81.2	4.0	28.0	20.3	68.0	56.3	-	-
Total	100	100	132.1	30.9	52.9	66.7	16.3	20.3	1.9	-

Source: IS MONIT7+

Notes:

Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

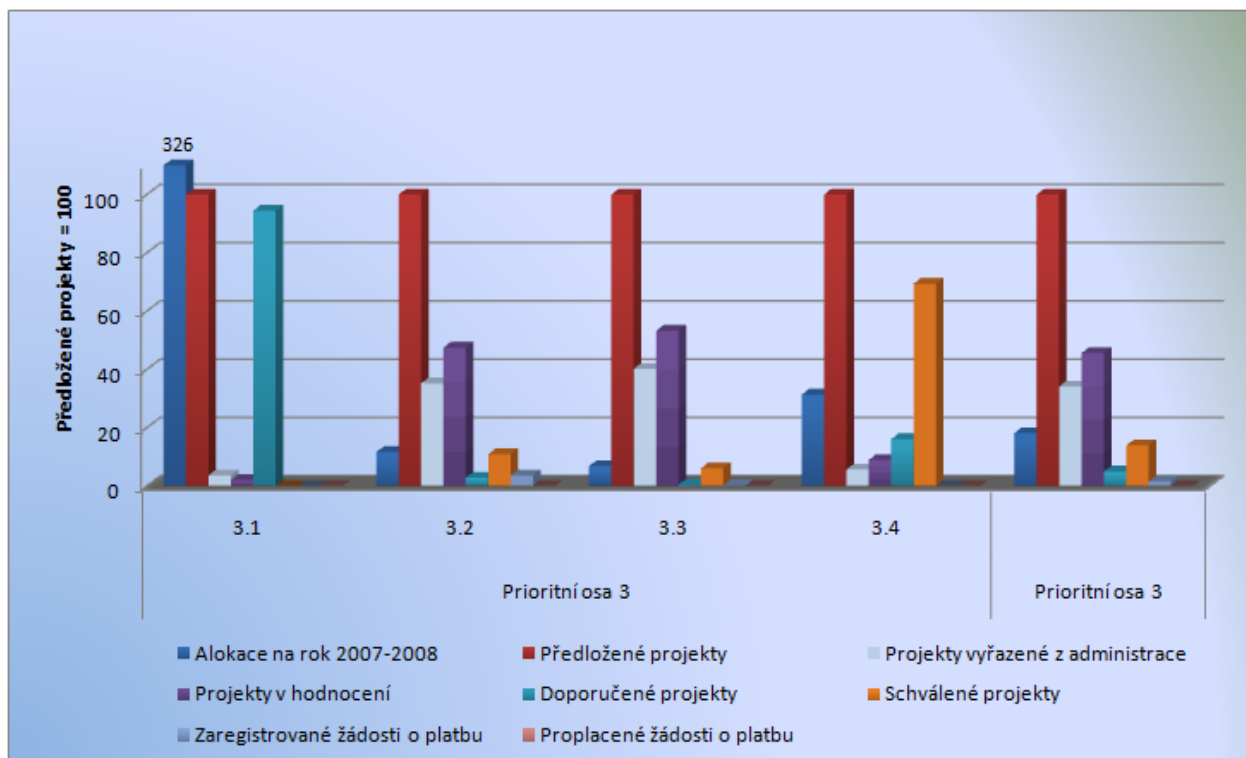
* Public subsidy funds (the Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

** Out of approved/implemented projects

*** Percent share in submitted projects

The most successful area of support under this priority axis was area of support 3.3. As for the number of submitted projects, it ranks first with 315 submitted projects totalling more than EUR 155 million. Of this, 29 projects amounting to almost EUR 19 million were approved during the monitored period. In addition, some requests for payment were registered; the largest of them were in area of support 3.2 (more than EUR 4 million in total), which is shown by the number of prepared projects in larger cities where implementation was often started in the previous year.

Graph 12: Progress of Implementation of Priority Axis 3 (amount in the projects according to the administration status)



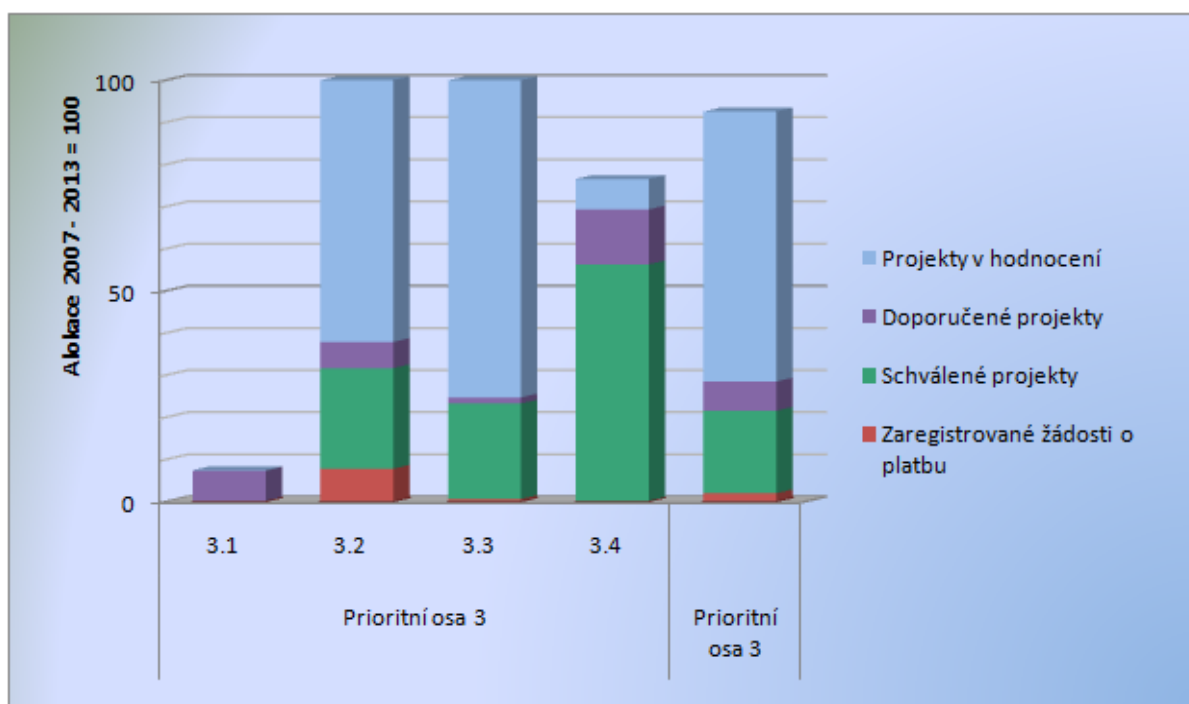
Source: Monit 7+, ORC SE

Předložené projekty=100	Submitted projects = 100
Prioritní osa 3	Priority Axis 3
Allocation na rok 2007-2008	Allocation for 2007-2008
Projekty v hodnocení	Projects under evaluation pending
Doporučené projekty	Projects recommended for funding
Schálené projekty	Approved projects

Zaregistrované žádosti o platbu	Requests for payment -registered
Předložené projekty	Submitted projects
Proplacené žádosti o platbu	Requests for payment – paid out
Projekty vyřazené z administrace	Projects eliminated from administration

By the end of 2008, under the Priority Axis, projects valued EUR 313 million of public subsidy funds were submitted, which is 140.5 % of the total allocation for the Priority Axis. The allocation for the years 2007-2008 was exceeded by 552.6 %. During the evaluation process, 146 projects were eliminated (out of the total 473 submitted projects). Before the end of 2008, 77 projects were approved, of total amount equal to EUR 48.1 million of public subsidy funds.

Graph 13: Project Pool of the ROP SE (as to 31 December 2008) - areas of support under Priority Axis 3 (amount in the projects according to the administration status, allocation 2007 - 2013 = 100)



Source: Monit 7+, ORC SE

Allocation 2007-2013 = 100	Allocation 2007-2013 =100
Prioritní osa 3	Priority Axis 3
Projekty v hodnocení	Projects under evaluation pending
Doporučené projekty	Projects recommended for funding
Schválené projekty	Approved projects
Zaregistrované žádosti o platbu	Requests for payment - registered

Except for the area of support 3.1, the amount in the submitted projects exceeded the aggregate allocation for the years 2007 and 2008 in entire areas of support under the Priority Axis. In Priority Axis 3.1, the amount of the submitted projects was equal to mere 30.6 % of the allocation for 2007 and 2008. The biggest project pool (224.1% of the total allocation) is seen in the areas of support 3.3 and 3.2 (142.0% of the total allocation). As to 31 December 2008, the project pool for the area of support 3.4 was equal to 76.6% of the total allocation, and 7.5% for the area of support 3.1, respectively.

Overlaps with horizontal themes in regard to support provided to activities under this Priority Axis is anticipated in particular from impacts of the renovation of dilapidated and unused buildings and spaces in municipalities, reconstruction of squares, children playgrounds and green spaces, construction and modernisation of school buildings, health care and non-profit social facilities, culture facilities and buildings used by associations and civic initiatives.

As an example of a project implemented under Priority Axis 3, the project “Main Hospital Building” in Pelhřimov is presented.

The Hospital was founded some 100 ago and was continuously developed. During the development, certain departments were moved in new space while in the main building, besides the beds and the ambulance, only the radiodiagnostic department was maintained. However, the changes in the utilisation of the building were not connected with major reconstruction work: no extensive repair on interior media distribution lines, roof and gutters or windows replacement was conducted. The equipment of the hospital comprises beds and bedside tables beyond the service-life, and the communication system between patient and nurse is obsolete and unreliable or out of operation. The sanitary background for patients and staff is in poor condition, the office rooms and instrument equipment needed for the staff is insufficient.

Fig. 6. Hospital in Pelhřimov, main building (beds) – before the implementation



Source: ORC SE

The project is implemented in three stages. The anticipated result will be:

- Two or three-bed rooms, each of the equipped with sanitary facility.
- A bigger number of examination rooms, nurse rooms, physician rooms and daily rooms for the staff. Patient beds will be adjustable, with anti-decubitus mattresses of quality.
- A system for communication with the staff – for each patient.
- New equipment for the ambulance offices, nurse rooms and physician rooms.
- New instrument equipment for the radiodiagnostic department.
- A detached department – rehabilitation centre in the main building. The space will be connected with the bed department.

Fig. 7. Visualisation: The Hospital in Pelhřimov, main building, after the implementation



Source: ORC SE

Although the working conditions will be challenging for the employees and the patients during the reconstruction work, which calls for increased work effort on the side of the people involved, the project will be beneficial in regard to improvements in the medical care provided, quality of the instrument equipment, better patients' comfort and work environment.

3.3.2 Significant Problems and Measures Taken to Overcome Them

The provision of general coverage of the territory with a digital signal is a key factor of the development of the region. The reason why the coverage of some parts of the NUTS II South-East region is low was the market failure (for various reasons). The ROP SE identified these disadvantaged areas. At present, it is necessary to avoid subsequent potential higher prices for telecommunication services that may weaken the affected region even further (compared to the development in other localities where the market potential is more favourable). This may be caused by the character of the telecommunication market that is typical with highly competitive prices (the prices on the mobile market tend to decrease more than in other branches). The result may be that smaller operators on the market will pay higher wholesale prices than the retail charges are (charged by bigger operators to their customers), which, in consequence, will be reflected in higher prices for connections paid by final users.

3.4 Priority Axis 4 'Technical Assistance'

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

Table 20: Fulfilment of Output Indicators of Priority Axis 4

Code NCI								
EU /Lisbon Code	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
Type of indicator								
710500	Implementation of Evaluation Studies and Reports	Number	Managing Authority	Achieved	0	0	N/A	0
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	14	14
710700	Number of newly created methodological and technical – information materials	Number of document types	Managing Authority	Achieved	0	8	N/A	8
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	65	65
711101	Number of training sessions, seminars, workshops and conferences held	Number of events	Managing Authority	Achieved	0	10	N/A	10
Output				Starting	0	0	N/A	0
				Planned	N/A	N/A	100	100
711102	Of which events with international	Number of	Managing	Achieved	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
Output	participation	events	Authority	Starting	0	0	N/A	0
				Planned	N/A	N/A	20	20
711500	Amount of participation at foreign events focusing on deepening and exchange of information	Number of persons who participated at consultations abroad	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	14	14
712501	Number of audits of funds use	Number of audits of funds use (ex-ante, mid-term, ex post, audit of samples)	MA	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	466	466
711601	Number of persons who participated in educational courses about reinforcement of absorption capacity	Number of persons who participated in educational courses in technical assistance	Managing Authority	Achieved	0	250	N/A	250
Result				Starting	0	0	N/A	0
				Planned	N/A	N/A	1250	1250
711900	Number of trained persons	Number of persons	Managing Authority	Achieved	0	0	N/A	0
Result				Starting	0	0	N/A	0

Code NCI	Name of Indicator	Unit of Measurement	Source	Value	2007	2008	Target value 2015	Total
EU /Lisbon Code								
Type of indicator								
				Planned	N/A	N/A	88	88

Source: Monit 7+, ORC SE

Under Priority Axis 4, focused on technical assistance, total eight projects were under implementation in 2008.

For more comprehensive information about the activities related to Priority Axis 4 'Technical Assistance' refer to chapter 6 - 'Technical Assistance'.

3.4.1. B Qualitative Analysis

Because of the implementation of the projects under this Priority Axis, the absorption capacity was very good in 2008, which is documented by the results of the calls. The same effort is now being made in order to implement technical and organisational measures necessary for success in the implementation of the projects under the ROP SE.

Table 20 a: Progress of implementation of Priority Axis 4

Priority Axis	Allocation 2007-2013 (EUR)*	Submitted Projects		Eliminated projects	Administered Projects		Approved Projects		Registered requests for payment	Paid out claims
		Number	Amount (EUR)*	Number	Number	Amount (EUR)*	Number	Amount (EUR)*		
a	b	c	d	e	f	g	h	i	j	k
4.1	21 133 367	4	18 452 497	0	0	0	4	18 452 497	3 842 788	3 132 873

4.2	7 044 459	5	8 541 030	1	0	0	4	6 597 127	1 028 169	1 028 169
Total	28 177 826	9	26 993 527	1	0	0	8	25 049 624	4 870 957	4 161 0422
	% allocation	%***	% allocation	%***	%***	% allocation	%***	% allocation	% allocation	% allocation
	= b/b	= c/c	= d/b	= e/c	= f/c	= g/b	= h/c	= i/b	= j/b	= k/b
4.1	100	100	87,3	0	0	0	100	87,3	18,2	14,8
4.2	100	100	121,2	20,0	0	0	80,0	93,7	14,6	14,6
Total	100	100	95,8	11,1	0	0	88,9	88,9	17,29	14,8

Source: IS MONIT7+

Notes:

Exchange rate: ECB, January 2009, 1 EUR = 26.63 CZK

* Public subsidy funds (the Community contribution and the Regional Council subsidies with participation of the state and regional budgets)

** Out of approved/implemented projects

*** Percent share in submitted projects

In order to provide responsible and effective administration and implementation of the ROP SE, it was proposed at the occasion of the 5th meeting of the Monitoring Committee of the ROP SE (1 December 2008) that funds will be shifted from the area of support 4.2 into the area of support 4.1 whereas the final proportion will be 75:25 (compared to the initial proportion 50:50). The proposal was accepted by the 5th meeting of the Monitoring Committee.

3.4.2 Significant Problems and Measures Taken to Overcome Them

In Priority Axis 4, it was found that the sources need to be reallocated between the areas of support. At this occasion, a new continual call was announced for Priority Axis 4 - 'Technical Assistance'. The new call was approved by the Committee of the Regional Council and the reallocation of funds within the Priority Axis was approved by the Monitoring Committee of the ROP SE at their 5th meeting.

4 ESF PROGRAMMES: COHERENCE AND CONCENTRATION

The main and only source designated for the financing of the ROP SE from the Structural Funds in 2008 was the European Regional Development Fund.

Within the Programme, a decision was made that cross-financing will be applied. The reason for using this opportunity was the achievement of multiplied benefits due to the combination of investment and non-investment sources. 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.

As the 12 projects at the final stage of funding are relatively isolated from each other, and since none of the projects has applied for cross-financing, it is impossible to conduct an objective analysis of the impact of the implementation on the regional development in terms of fulfilment of high level strategies.

5 ERDF/CF Programmes

No major projects defined in Article 39 of the General Regulation were implemented in 2008 and none are planned for the future under the ROP SE.

6 TECHNICAL ASSISTANCE

Article 46 of General Regulation (Council Regulation (ES) 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) 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 aim to enhance the efficiency of implemented support, improve the quality of interventions and increase the effectiveness of the use of resources, mainly for effective management of the ROP South-East, its promotion and evaluation of the Programme and projects.

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 for absorption capacity'

The overall portion of the Priority Axis 'Technical Assistance' in the allocation of the ROP SE sources from the ERDF in the whole programming period is 3.4%, i.e. EUR 23 951 152 out of EUR 704 445 636.

Table 21: Summary of the Projects under Priority Axis 4 – 'Technical Assistance' in 2008 (CZK)

Project Number	Registration	Project Name	Applicant	Total eligible expenses	Subsidy
CZ.1.11/4.1.00/01.00007		Management and Implementation of the ROP SE 2008	Regional Council of the SE Cohesion Region	61 945 000	57 299 125
CZ.1.11/4.1.00/01.00008		Monitoring and Evaluation in 2008	Regional	5 220 000	4 828 500

Project Number	Registration	Project Name	Applicant	Total eligible expenses	Subsidy
			Council of the SE Cohesion Region		
CZ.1.11/4.2.00/01.00009		Promotion, Educational and Absorption Capacity 2008	Regional Council of the SE Cohesion Region	16 900 000	15 632 500
CZ.1.11/4.2.00/01.00405		Expert Assistance to the Beneficiaries from the ROP SE	Regional Council of the SE Cohesion Region	6 783 000	6 274 275
CZ.1.11/4.1.00/04.00871		Activities Connected with the Implementation and Management of the ROP South-East for the 2009-2015 period	Regional Council of the SE Cohesion Region	400 000 000	370 000 000
CZ.1.11/4.2.00/04.00870		Support for absorption capacity of the ROP South-East for the 2009-2015 period	Regional Council of the SE Cohesion Region	140 540 000	129 999 500

Source: Monit 7+, ORC SE

Drawing 'Technical Assistance' Resources 2008

Technical Assistance resources are included in the budget of the Office of the Regional Council of the Cohesion Region South-East.

Under Priority Axis 4, it was found that the sources need to be reallocated between the areas of support. Along with that, a new continual call was announced for projects under the Priority Axis - 'Technical Assistance'. The new call was approved by the Committee of the Regional Council on 5 December 2008. After that, the Regional Council submitted two project proposals. Under this continual call, the allocation for both areas of support is total CZK 500 million. The deadline for completion of the projects under this call is 31 December 2015.

Table 21 a: Drawing the budget of the Communication Plan South-East

Activity	Plan (CZK)	Used (CZK)
Media communication	3 830 000	1 647 269
On-line communication	200 000	160 343
Public relations	650 000	176 882
Direct communication	7 600 000	6 831 698
Publication activities	2 700 000	974 024
Other tools	1 520 000	1 012 688

Source: internal documents of the ORC SE

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 2008, the Commission met six times. The main topics of its meeting were the preparation of the Technical Assistance Plan for 2009 and drawing from the budget by active projects.

6.1 Area of support 4.1 – Activities connected with the implementation and 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.

Under this priority, area, the “Management and Implementation of the ROP SE 2008” project is implemented, a follow-up to the previous project “Support to the Management Activities within the ROP SE” (implemented by the Managing Authority of the ROP SE in the period I/2007–I/2008). During the period concerned, activities were commenced that are aimed at fulfilment of the project target, i. e. activities supporting effective management, control, monitoring and evaluation of the implementation of the Regional Operational Programme NUTS 2 South-East.

Major expenses in 2008 were mainly used to cover the following:

- Wages, including levy; gratuity to experts
- Operational expenses (rent and rent-related services, telecommunication services, acquisition of minor tangible assets, postal services, entertainment, charges etc.)
- Expenses to cover expert studies and analyses related to the projects
- The acquisition of notebooks, hardware, software and auxiliary technical equipment, software-related service
- Organisation of work team meetings, director’s meetings, etc.

Under the “Monitoring and Evaluation 2008” project, the MONIT7+ monitoring system was adjusted (CZK 122 thousand) and the Monitoring Committee meeting was organised. Major expenses were related to translation and proofreading of the documentation for the Monitoring Committee and expenses of the organisation and entertainment.

CZK 6.580 million was expended on the acquisition and installation of computer systems and information technologies needed for the control and monitoring of the OP and for the necessary software. The amount includes, for example, CZK 5.5 million for the purchase of the GINIS (budget and accounting system) and CZK 280 000 for the purchase of an electronic version of the Cost-benefit analysis for applicants for subsidy from the ROP South-East.

Based on external cooperation, an evaluation study was elaborated in order to change the score limit within the project selective procedure. The results of the study were used to optimise the operational processes of the Regional Council.

Among other documents dealing with the evaluation of the implementation of the Programme, regular information about the progress and problems arising from the implementation of the ROP SE was provided (Information about the Implementation and Drawing of the ROP South-East).

Towards the end of the period concerned, a contracting procedure was announced for elaboration of four evaluation studies whose complex objective is to increase the quality of the implementation of the ROP SE:

1. The Evaluation of the Implementation of the ROP SE and Assessment of Evaluation Activities
2. The Project Evaluation System and Assessment Criteria ROP SE
3. The Evaluation of the Indicator Set ROP SE and Proposal for Improvement
4. The Analysis and Evaluation of the Guidelines for Applicants and Beneficiaries ROP South-East

The Evaluation Studies will be completed in the first half of the year 2009.

6.2 Area of support 4.2 'Support for absorption capacity'

The main objective of this area of support is to increase the absorption capacity of the region and the Managing Authority, and successful drawing of the funds from the ROP SE.

Under this area of support, in particular activities focused on improvement of the capacity of the beneficiaries to prepare projects co-financed by the ERDF via the ROP SE and implement them successfully are funded. The main instrument is namely the assistance to potential submitters, especially by means of activities focused on promotion of the Programme, provision of information, consultancy and educational activities, and preparation and implementation of educational programmes. It means that the sources are designed for e.g. organising conferences, seminars, Open Days and other communication activities.

The "Promotion, Educational and Absorption Capacity 2008" project is a follow-up to the previous project "Promotion and Absorption Capacity" (implemented by the Managing Authority of the ROP SE in 2007). In 2008, activities were commenced that are aimed at fulfilment of general and specific objectives of the project.

Major expenses in 2008 are mainly related to:

- Publication of the Call in daily newspapers
- Organisation of seminars for applicants and beneficiaries
- Publication of personnel advertisements

- Expenses of internal education and training – programmes Project Management and Soft Skills, learning English at the branch offices in Brno and Jihlava, specific seminars for employees
- Purchase of specialised literature and newspaper subscription
- Update of website (www.jihovychod.cz)
- Other operational expenses
- Organisation of a press conference
- Publication of presentation materials and provision of promotional materials

For the comprehensive list of the implemented activities refer to Table 23 (Chapter 7 - Information and Publicity).

Under Technical Assistance, 54 employees are on the payroll of the Office of the Regional Council (full-time jobs).

Professional training is based on individual Educational Plans. In 2008, a set of educational events was conducted that were focused on the area of project management and the area of soft skills.

Examples of successful educational projects

We had a successful project in the area of education - "Learning by Doing". The programme was prepared directly for the needs of employees of the Office: it was based on a transfer of know-how from abroad. During this educational programme, we organised a series of workshops with participation of foreign experts. The topics were, for example, "financial management", "monitoring and evaluation of the Programme", "project preparation and evaluation", and "promotion and technical assistance".

Another educational project was the Project Management, focused on the area of management of the programme and project management. It was prepared in three stages or levels. The program of soft skills comprises courses covering time-management, communication and presentation skills, negotiation and strategic management.

Besides the above-mentioned projects, employees were educated individually on the basis of their individual Educational Plans that are prepared directly for the area of work activities of the particular job (for example, procurement, Building Act, public relations).

Measures to facilitate the implementation

In 2008, the Regional Council SE prepared a series of new and interesting activities that will help the applicants and beneficiaries and will make their preparation and management work easier.

Among others, there is assistance to beneficiaries of subsidy provided by experts that is focused on support during completion of monitoring reports and requests for payment. This activity is conducted by the Office of the Regional Council in cooperation with the Regional Development Agency for South Moravia and the Regional Development Agency for the Vysočina. These entities check the documentation for completeness and correctness: after that, the documentation will be submitted to the Office. Through the personal approach from the side of the experts in regard to the particular needs of the beneficiary, the beneficiary's foreknowledge is improved hence they are able to compile monitoring reports and requests for payment easier.

Another type of assistance is a methodological support for applicants and beneficiaries: this way, the implementation and submission of project proposals is easier, and overall success of the implementation is enhanced as well. Table 21 shows a list of issued methodical guidelines, including their brief description.

Table 22. List of Methodical Guidelines

	No	Methodical Guidelines	Validity for Documents
1.	No 1/200 8 EX	Provision of expert opinions	Guidelines for applicants and beneficiaries, version 1.6 and older
2.	No 2/200 8 EX	Re-submission of applications for subsidies from the ROP SE for projects already commenced	General validity
3.	No 3/200 8 EX	Rules of chattel mortgage for property acquired from subsidy	Guidelines for applicants and beneficiaries, version 1.6 and older
4.	No 4/200 8 EX	Completion and submission of construction project documentation if applications for subsidies are re-submitted under the following call	Guidelines for applicants and beneficiaries, version 1.7 and older
5.	No 5/200 8 EX	Frequency of Monitoring Reports (Report on advancement)	Guidelines for applicants and beneficiaries, version 1.7 and older
6.	No 6/200	Opening a separate account	Guidelines for applicants and beneficiaries, version

	No	Methodical Guidelines	Validity for Documents
	8 EX		1.7 and older
7.	No 7/200 8 EX	Supporting evidence on funds for project co-financing – proof of VAT (VAT payers)	Guidelines for applicants and beneficiaries, version 1.6 and older
8.	No 8/200 8 EX	Feasibility Study as part of the “eCBA” Form	Guidelines for applicants and beneficiaries, version 1.7 and older
9.	No 9/200 8 EX	Eligible expenses of management and coordination of activities stated in the Integrated Town Development Plan	Guidelines for applicants and beneficiaries, version 1.7 and older
10.	No 10/20 08 EX	Adjusted directions for procurement – procedures for divided contracts	Guidelines for applicants and beneficiaries, version 1.6 and older
11.	No 11/20 08 EX	Changes during the project’s implementation – major changes to the projects’ budgets that affect non-eligible expenses only and changes to the Financial Plan	Guidelines for applicants and beneficiaries, version 1.8 and older
12.	No 12/20 08 EX	Provision of a tax return copy (income tax) for applicants submitting more project proposals	Guidelines for applicants and beneficiaries, version 1.8 and older
13.	No 13/20 08 EX	The logo of the Region as part of the projects’ promotion	Rules of publicity, version 1.1
14.	No 14/20 08	Evidence of incorporation of projects into the Integrated Town Development Plan	Guidelines for applicants and beneficiaries, version

	No	Methodical Guidelines	Validity for Documents
	EX		1.8 and older
15.	No 15/20 08 EX	Assessing project acceptability	Guidelines for applicants and beneficiaries, version 1.8 and older
16.	No 1/200 9 EX	Identifying and monitoring of newly created jobs	General validity
17.	No 2/200 9 Ex	Sending an invitation for envelope opening and for the evaluation commission meeting (procedures for selecting suppliers)	General validity
18.	No 3/200 9 EX	Large billboards – projects under area of support 2.2 'Development of services in tourism'	General validity

Source: Internal Documents of the Office of the Regional Council South-East

7 INFORMATION AND PUBLICITY

The obligation to publicise operations and programmes co-financed from the Structural Funds and the Cohesion Fund is provided in Article 69 of Council Regulation (ES) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (ES) No 1260/1999 (Council Regulation). Article 69 of the Council Regulation – in addition to the actual obligation to provide information on and publicise operations and co-financed programmes – sets the main objective of their publicity, emphasising the role of the Community and the transparency of assistance provided from the funds.

The Communication Plan of the ROP South-East was submitted to the European Commission for approval on 31 March 2008. In compliance with Article 3 of Commission Regulation (ES) No 1828/2006, the European Commission verified the compatibility of the Communication Plan with Article 2 (2) of Regulation (ES) No 1828/2006 and, on 14 May 2008, passed their comments onto the Regional Council of the Cohesion Region South-East. The European Commission accepted that the comments would be subsequently settled and approved the Communication Plan of the ROP SE on 21 August 2008.

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

- 1) Communication target groups engaged in the implementation and monitoring of the ROP SE – a source of information about the ROP SE
 - The Managing Authority of the ROP SE – the Regional Council of the South-East Cohesion Region (Office of the Regional Council South-East),
 - The Monitoring Committee of the ROP SE,
 - The Regional Council Committee,
 - The Chair of the Regional Council.
- 2) Target groups distributing and intermediating information about the ROP SE
 - The media,
 - Economic and social partners,
 - Project developers,
 - EU information centres in the South-East Cohesion Region.
- 3) 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 (SMEs),
 - Professional organisations,
 - The 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 Vysočina Regions),
 - Visitors to the region and tourists.

7.1 Measures taken to Provide Information and Publicity in 2008

The ROP South-East communication campaign commenced on 31 March 2008 by Danuta Hübner, the European commissioner. During her visit to Brno, the European commissioner for regional policy met with representatives of the Region and talked about present and future EU regional policy. To launch the campaign, advertisements containing EU and ROP South-East symbols were installed on a vehicle operated by the Brno city (tramway).

Fig. 8. Danuta Hübner, the European Commissioner, visiting Brno (31 January 2008)



Source: Office of the Regional Council South-East

The Annual Conference of the Regional Council South-East - VISION 2015 – was focused on the future development of the Cohesion Region South-East. Within three panel discussions based on the Priority Axes under the ROP South-East, the participants – experts – discussed the topics of transport, tourism and development of towns and rural areas. As outputs, memoranda were created for specific areas and their use within strategies of the region's development.

Fig. 9. VISION 2015 – the conference aimed at the future development of the ROP SE



Source: Office of the Regional Council South-East

In 2008, the Office of the Regional Council organised 14 seminars for applicants and beneficiaries of financial assistance, providing training to a total of 1 500 participants. The topics of the seminars for applicants were: the economic evaluation of projects, preparation of BENEFIT7 applications and the applicant's financial health. The seminars for beneficiaries were focused on issues related to project implementation, tenders and beneficiary obligations related to contracts for subsidies.

The current list of beneficiaries is available at <http://www.jihovychod.cz/cs/pro-prijemce/seznam-prijemcu>.

Comprehensive information about the seminars is provided in the following table.

Table 23: A List of Seminars for Applicants and Beneficiaries in 2008

	Datum konání	Akce	Místo konání	Cílová skupina	Popis akce
1.	3.1.2008	Seminář ROP JV	Brno	zaměstnanci KU Jihomoravský kraj	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
2.	7.2.2008	Seminář ROP JV	Jihlava	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
3.	8.2.2008	Seminář ROP JV	Brno	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
4.	21.2.2008	Školení externích expertů	Brno	externí hodnotitelé	příprava nezávislých externích odborníků pro hodnocení některých projektů žadajících o dotace z ROP JV
5.	22.2.2008	Školení externích expertů	Jihlava	externí hodnotitelé	příprava nezávislých externích odborníků pro hodnocení některých projektů žadajících o dotace z ROP JV
6.	26.2.2008	Školení externích expertů	Brno	externí hodnotitelé	příprava nezávislých externích odborníků pro hodnocení některých projektů žadajících o dotace z ROP JV
7.	29.2.2008	Školení externích expertů	Brno	externí hodnotitelé	příprava nezávislých externích odborníků pro hodnocení některých projektů žadajících o dotace z ROP JV
8.	4.3.2008	Seminář Evropská šance pro region	Brno	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
9.	1.4.2008	Školení externích expertů	Brno	externí hodnotitelé	příprava nezávislých externích odborníků pro hodnocení některých projektů žadajících o dotace z ROP JV
10.	13.5.2008	Seminář Evropská šance pro region	Brno	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
11.	15.5.2008	Seminář Evropská šance pro region	Jihlava	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
12.	21.5.2008	Seminář Evropská šance pro region	Brno	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 7
13.	22.5.2008	Seminář Evropská šance pro region	Jihlava	pro žadatele	ekonomické hodnocení projektů (CBA, studie proveditelnosti), finanční zdraví žadatele, BENEFIT 8
14.	26.6.2008	Seminář pro příjemce dotací	Brno	pro příjemce	realizace projektu, veřejné zakázky, hlavní povinnosti dle smlouvy o poskytnutí dotace
15.	18.7.2008	Seminář pro příjemce dotací	Jihlava	zaměstnanci KÚ Vysočina	realizace projektu, veřejné zakázky, hlavní povinnosti dle smlouvy o poskytnutí dotace
16.	6.8.2008	Seminář pro příjemce dotací	Brno	pro příjemce	realizace projektu, veřejné zakázky, hlavní povinnosti dle smlouvy o poskytnutí dotace
17.	7.8.2008	Seminář pro příjemce dotací	Jihlava	pro příjemce	realizace projektu, veřejné zakázky, hlavní povinnosti dle smlouvy o poskytnutí dotace
18.	31.10.2008	Seminář pro příjemce dotací	Brno	pro příjemce	realizace projektu, veřejné zakázky, hlavní povinnosti dle smlouvy o poskytnutí dotace
19.	7.11.2008	Seminář pro příjemce dotací	Jihlava	pro příjemce	realizace projektu, veřejné zakázky, hlavní povinnosti dle smlouvy o poskytnutí dotace
20.	12.11.2008	Konference VIZE 2015	Brno	žadatelé, příjemci, odborníci i laická veřejnost se zájmem o rozvoj regionu	téma konference: realizace POR JV, výzvy a specifika rozvoje regionu JV pro nadcházející roky, kam směřuje region v horizontu roku 2015

Source: Office of the Regional Council South-East

	Date	Event	Venue	Target group	Description
1		Seminar ROP SE	Brno	Employees of the Regional Authority of the South Moravian Region	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7
2		Seminar ROP SE	Jihlava	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7
3		Seminar ROP SE	Brno	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7
4		Training for external experts	Brno	External evaluators	Preparation of independent external experts for evaluating certain projects applying for financial assistance from the ROP SE
5		Training for external experts	Jihlava	External evaluators	Preparation of independent external experts for evaluating certain projects applying for financial assistance from the ROP SE
6		Training for external experts	Brno	External evaluators	Preparation of independent external experts for evaluating certain projects applying for financial assistance from the ROP SE
7		Training for external experts	Brno	External evaluators	Preparation of independent external experts for evaluating certain projects applying for financial assistance from the ROP SE
8		European Chance for the Region	Brno	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7

		(seminar)			
9		Training for external experts	Brno	External evaluators	Preparation of independent external experts for evaluating certain projects applying for financial assistance from the ROP SE
10		European Chance for the Region (seminar)	Brno	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7
11		European Chance for the Region (seminar)	Jihlava	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7
12		European Chance for the Region (seminar)	Brno	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT7
13		European Chance for the Region (seminar)	Jihlava	For applicants	An economic evaluation of projects (CBA, feasibility study), applicant's financial health, BENEFIT8
14		Seminar for beneficiaries	Brno	For beneficiaries	Project implementation, tenders, basic obligations pursuant to the contract of subsidies
15		Seminar for beneficiaries	Jihlava	Employees of the Regional Authority of the Vysočina Region	Project implementation, tenders, basic obligations pursuant to the contract of subsidies
16		Seminar for beneficiaries	Brno	For beneficiaries	Project implementation, tenders, basic obligations pursuant to the contract of subsidies

17		Seminar for beneficiaries	Jihlava	For beneficiaries	Project implementation, tenders, basic obligations pursuant to the contract of subsidies
18		Seminar for beneficiaries	Brno	For beneficiaries	Project implementation, tenders, basic obligations pursuant to the contract of subsidies
19		Seminar for beneficiaries	Jihlava	For beneficiaries	Project implementation, tenders, basic obligations pursuant to the contract of subsidies
20		Vision 2015 Conference	Brno	Applicants, beneficiaries, experts and the public (interested in the development of the region)	Topic: Implementation of the ROP SE, calls and specific features of the SE Cohesion Region for the upcoming period, prospective orientation and development of the region (vision 2015)

Comprehensive information about the measures and a list of activities conducted in 2008 are provided in the following table.

Table 24: Information on Communication Activities Directed to Target Groups in 2008

Type of Communication Activity	Communication tool	Name/Brief description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
A. Standard information and publicity methods	Publication	ROP SE brochure and its updates CZ/EN	07/08-09/08	2 publications/2000 brochures
		Annual Report CZ/EN	09/08	2 publications/1000 pieces
		Difficulties To Face - (not only) For Mayors Or Ten Programme Principles	09/08 – 10/08	1 publication/2000 pieces
Two years of the ROP SE		09/08 – 10/08	1 publication/2000 pieces	
VISION 2015		09/08 – 10/08	1 publication/350 pieces	
	Methodical Guidelines	Manuals for applicants and beneficiaries – interactive versions: www.jihovychod.cz	01/08-03/08	Electronic version
	Publicity materials	Pens, business cards, banners, notepads, calendars, diaries, umbrellas, travel bags, tea boxes, conference bags, towels, chocolates	03/08-12/08	24 kinds of publicity materials

Type of Communication Activity	Communication tool	Name/Brief description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
		in a box, etc.		
B. Information and communication technologies (ICT)	website	www.jihovychod constant updates, placement of updated documents, news, press releases, tenders and other texts, contacts, surveys, photographs, registration for events, an English version	01/08-12/08	1000 registered users
	Electronic newsletter of the Regional Council SE	Newsletter – distributed among registered users of the Regional Council's website	11/08	One issue
	Other	Intranet	01/08-12/08	
C. Mass media	Media publicity – radio	Information on radio, PR interview, contest	09/08-11/08	3 events held
	Press releases, PR articles, press conferences, cooperation with the media	Press releases Press conferences of the Regional	01/08-12/08 03/08-07/08	16 press releases published 3 press conferences

Type of Communication Activity	Communication tool	Name/Brief description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
		Council SE		
	PROTEXT	Direct distribution via the Czech News Agency service (media, economic sphere, public administration)	01/08-12/08	7 pre-paid pieces of news
	Advertising	Information ads and calls (Dotace, Moderní obec, MF Dnes, South Moravia and Vysočina dailies, Listy jižní Moravy)	06/08-11/08	28 information advertisements
		Personnel ads	01/08-12/08	28 personnel ads
		editorials (Jihomoravský Lobbing)	07/08-12/08	3 editorials
D. One-off information and publicity events	Educational events: seminars	Seminars for applicants and beneficiaries	01/08-12/08	14 seminars 1 500 participants
	Conference (main information event in 2008)	The VISION 2015 Conference	11/008	1 conference participants

Type of Communication Activity	Communication tool	Name/Brief description of the Communication Event	Communication Event Date(s)	Communication Event Indicator
	Events	Danuta Hubner visited Brno	03/08	2 events
		Exhibition of projects funded by the ROP SE	11/08	
	Flying the EU flag for a week starting 9 May 2008	Obligation provided in the Commission Regulation	05/08	1 event
	Advertisement by means of city public transport vehicles	Advertisement on the tramway in Brno	03/08-12/08	1 event

Source: Office of the Regional Council South-East

7.2 Media Analysis of the ROP SE in 2008

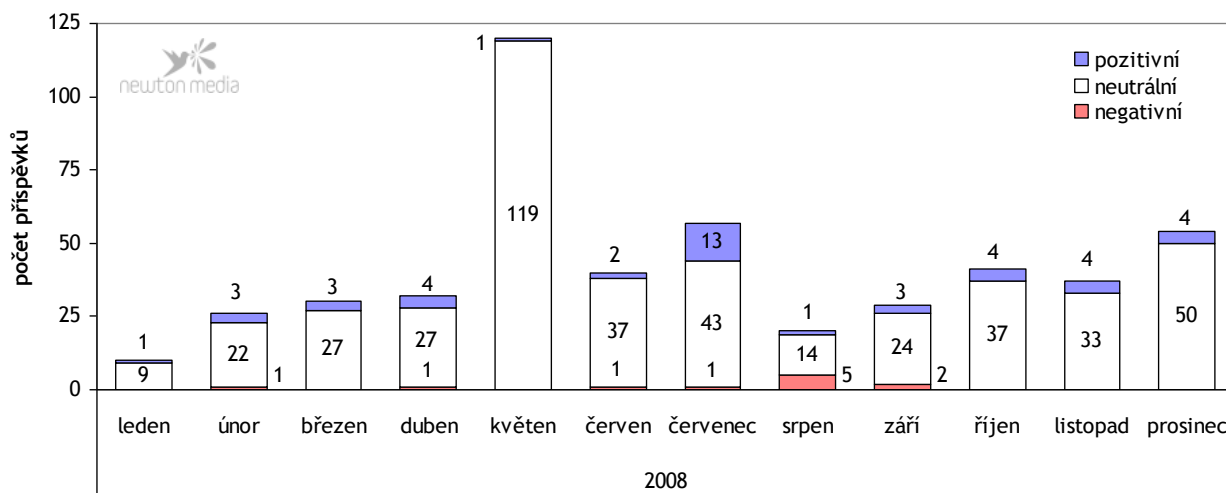
The Czech media published a total of 496 stories about the Regional Operational Programme South-East in 2008. Compared to 2007 (236 stories), the number of stories doubled.

As far as the emotional tone of the reviews is concerned, a neutral tone prevailed (442, i.e. 89%). 43 stories (9%) presented the ROP positively, which is 5 per cent less than in 2007. On the contrary, negative publicity increased to a level higher than insignificant: in 2008 there were 11 negative reviews (whereas there was only one in 2007), which is about 2% of the total number of stories.

Graph 14: Media Coverage of the ROP SE According to the Emotional Tone

pozitivní	positive
-----------	----------

neutrální	neutral
negativní	negative
Počet příspěvků	The number of reviews
Leden	January
Únor	February
Březen	March
Duben	April
Květen	May
Červen	June
Červenec	July
Srpen	August
Září	September
Říjen	October
Listopad	November
prosinec	December



Source: Office of the Regional Council South-East, Newton media

For specific aspects of the ROP SE, the media mentioned financial volumes (237 reviews, the most frequent aspect). Next was the preparation and implementation of projects, connected with the most positive publicity (the second most frequent and – from the media impact perspective, the most distinctive topic).

Nearly every other review mentioned the volumes of finances, either the total allocation of the ROP SE – the volumes of financial resources meant for specific calls and areas of support, or summarised data on granted assistance.

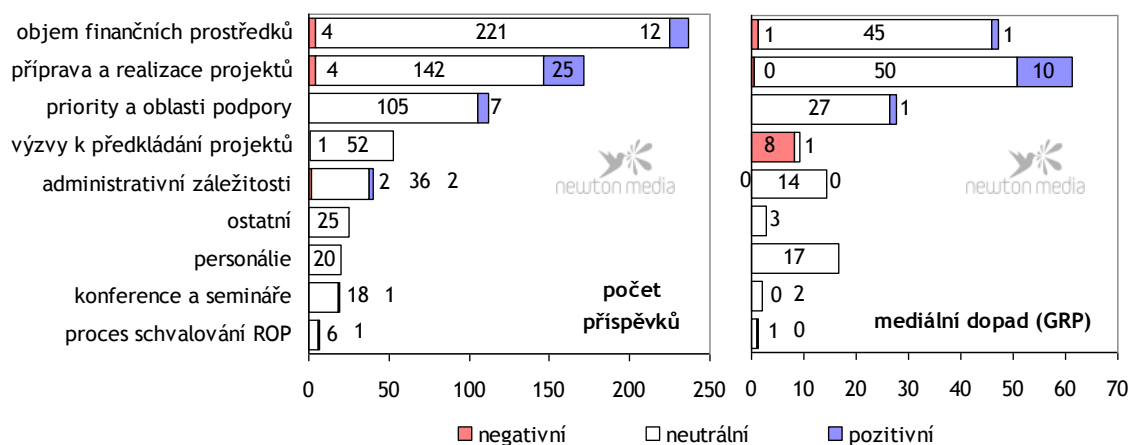
The second most frequent topic and, from the media impact perspective, the most significant, was the preparation and implementation of projects. This topic was connected with the most positive remarks (25 reviews). The ROP SE was appreciated mainly for its financial assistance to investments in road infrastructure, for the support provided to projects aimed at modernising hospitals, revitalising open spaces and expanding/developing sports facilities. On the other hand, in four cases, the ROP SE was presented in a negative tone (the reviews described unsuccessful projects).

The topic of priorities and areas of support, the most frequent in 2007, was – based on 112 reviews – third. The topic was connected with a positive remark seven times (in four of those the general concept of the ROP SE was appreciated – and Danuta Hubner, the European commissioner, spoke highly about the concept during her visit to the region as well).

Administration-related matters were mentioned in 40 reviews. Negative comments were related to problems with the Internet application Benefit7 and to costs of administration in connection with the drawing of EU funds.

Graph 15: Reviews by Topics

Příprava a realizace projektů	Project Preparation and Implementation
Objem finančních prostředků	The Volume of Resources
Priority a oblasti podpory	Priorities and Areas of Support
Výzvy k předkládání projektů	Calls for Projects
Administrativní záležitosti	Administrative Themes
ostatní	Other
personálie	Personnel Matters
Konference a semináře	Conferences and Workshops
Proces schvalování ROP	The ROP Approval Process
Počet příspěvků	The number of reviews
negativní	negative
neutrální	neutral
pozitivní	positive
Mediální dopad (GRP)	Media impact (GRP score)



Source: Office of the Regional Council South-East, Newton media

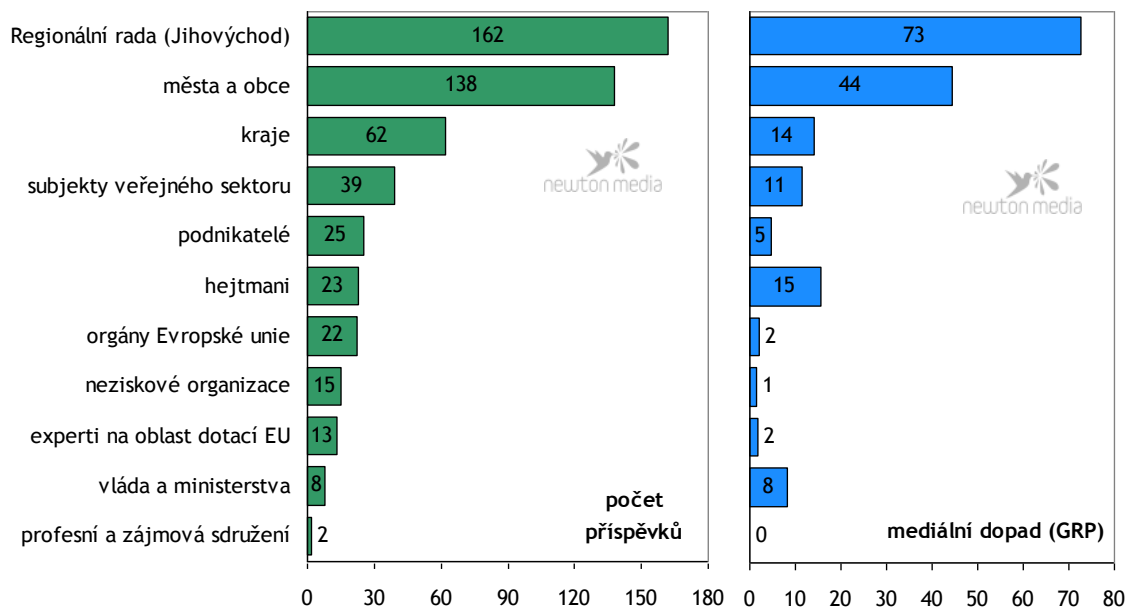
In connection with the ROP SE, the most frequently mentioned entity was the Regional Council of the Cohesion Region South-East - 162 reviews. About a third of the reviews were related to the projects, and the Council was the entity that announces calls, registers applications for subsidies and makes funding decisions

As for the other entities in contact with the ROP SE, the media frequently mentioned towns and municipalities (138 reviews). The most frequent mentions described the preparation of the projects applying for the assistance from the ROP SE. In the similar way, regional bodies (62) and entities of the public sphere (39) were presented, i.e. the schools, hospitals, road maintenance companies and other entities administered by the regional authority or municipality.

Graph 16: Entities Mentioned in the Media in Relation to the ROP SE

Regionální rada (jihovýchod)	Regional Council (South-East)
Města a obce	Towns and Municipalities
Kraje	Regions
Subjekty veřejného sektoru	Public sector entities

Podnikatelé	Entrepreneurs
Hejtmani	Presidents of the Regions
Orgány EU	EU Bodies
Neziskové organizace	Non-profit organisations
Experti na oblast dotací EU	EU Subsidies Experts
Vláda a ministerstva	Government and Ministries
Profesní a zájmová sdružení	Professional and Interest Groups
Počet příspěvků	The Number of Reviews
Mediální dopad (GRP)	Media Impact (GRP score)



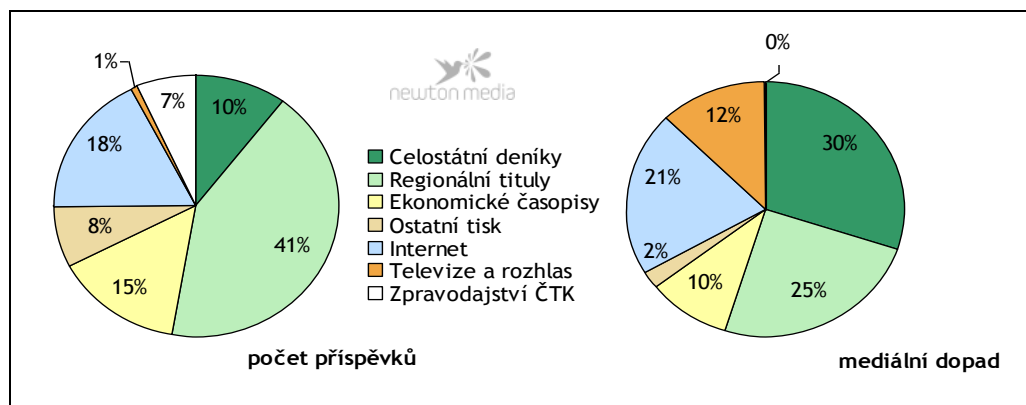
Source: Office of the Regional Council South-East, Newton media

In light of the media impact, the most distinctive entities presented in connection with the ROP SE were the Presidents of the Regions. A relatively high media impact was provided through national newspapers that described personnel changes in the Regional Council top management when new representatives of the Regional Authority were introduced.

Graph 17: Media Informing the Public about the ROP SE

Celostátní deníky	National Dailies
Regionální tituly	Regional Press
Ekonomické časopisy	Economic Magazines
Ostatní tisk	Other Press
Internet	The Internet

Televize a rozhlas	TV and Radio
Zpravodajství ČTK	Czech News Agency (CTK)
Počet příspěvků	Number of contributions
Mediální dopad	Media Impact



Source: Office of the Regional Council South-East, Newton media

The largest part of the contributions about the ROP SE was published in regional press. Even after incorporation of the media impact considering the attractiveness of the particular paper or channel, the regional press was among most important media groups (share 25 %). A higher share by this parameter is seen in national dailies (30 %). As for the particular communication media, most contributions were presented by the Czech News Agency (33 contributions). As for daily newspapers, the most active in the field of reporting on the ROP SE was MF Dnes (26 contributions). Positive response was indicated after 71 projects had been approved in mid July, followed by the support provided to a group of five projects in Havlíčkův Brod, renovation of the park named Réna in Ivančice, and repair of roads in poor condition near Rájec-Jestřebí and in Křenovice.

The value of the AVE (Advertising Value Equivalents), which shows the value of contributions published in the same advertising media, amounted to more than CZK 25 million, of which more than CZK 5.2 million were the contributions that presented the ROP SE in a positive light.

8 MISCELLANEOUS, TRANSFER OF KNOW-HOW AND PROVEN PROCEDURES

Where the contracts with beneficiaries of subsidy allow a prediction of fulfilment of the indicators by the areas of support and priority axes, the data is subjected to regular strategic analyses whose outputs and conclusions make the management and control of the Programme easier. The core and the basic method used for correcting measures in regard to achievements and the indicative targets of the Programme is based on the so-called specification of calls (i.e. limitation of calls).

Since the period of intensive firming of the Czech crown, the development of the exchange rate is continuously monitored and evaluated. In general, the rate between the Czech crown and euro shows high volatility. The causes of this phenomenon cannot be influenced from the side of the ROP SE. In the field of impacts, the risks managed within the ROP SE are connected with the trends of Czech crown firming weakening. In case of firming, the probability of a higher aggregate liabilities from the contracts beyond the determined allocation of the Programme is increasing and, vice versa, by weakening rate of Czech crown, the aforementioned risk is decreasing while a risk of not being able to draw the funds in full is increasing. For the latter, the ROP SE may apply a corrective measure – and that activate prepared projects from the project pool by means of a special call. In the light of the above mentioned exchange rate volatility, one of these scenarios will be activated after the strategic evaluation has been completed, in the second half of the programming period.

The date of the CR joining the Eurozone has not been specified hence – viewing the limits set forth in the Maastricht criteria – this is not relevant for now. This is another reason why the exchange rate must be monitored, regarding the contracted volumes of financial resources. Measures may be taken for the second half of the Programme or in case of an ad hoc reaction to an unplanned situation.

LIST OF ABBREVIATIONS

Abbreviation	Description
AR CR	Association of Regions of the Czech Republic
AA	Audit Authority
BENEFIT	Applicants' Information System
CCI	Operational Programme Reference Number
CRD	Centre for Regional Development
CZK	Czech crown
NDDI	Net disposable domestic income
CNB	Czech National Bank
CR	Czech Republic
CSO	Czech Statistic Office
CTK	Czech News Agency
DG	Directorate General
EAFRD	European Agricultural Fund for Rural Development
EFF	European Fishing Fund
EIA	Environmental impact assessment
EIB	European Investment Bank
EK	European Commission
ERDF	European Regional Development Fund
EC	European Communities
ESF	European Social Fund
EU	European Union
CF	Cohesion Fund
GDP	Gross domestic product
HT	Horizontal themes
CH4	Methane
CHU	Central Harmonisation Unit
ICT	Information and Communication Technologies
ITS	Integrated Transport System
IOP	Integrated Operational Programme
ITDP	Integrated Town Development Plan
IS	Information System
SMR	South Moravian Region
SMR-ANNO	Association of Non-governmental Non-profit Organisations in the South Moravian Region
CZK	Czech crown
Km	Kilometre
NCI Code	National Code Indicator
CoP	Communication Plan
Kt	Kilotonne

Abbreviation	Description
kV	Vysočina Region
MT	Ministry of Transport
MF	Ministry of Finance
mil.	million
MoC	Ministerstry of Culture
MRD	Ministry for Regional Development
MONIT7+	Monitoring Information System of the ROP SE
MoLSA	Ministry of Labour and Social Affairs
MSC2007	Information System of the National Coordination Authority
SME	Small and medium enterprise
MSSF	Monitoring System of the Structural Funds
MC	Monitoring Committee
MH	Ministry of Health
MA	Ministry of Agriculture
MoE	Ministry of the Environment
NH3	Ammonia
NGO	Non-governmental non-profit organisation
NCA	National Coordination Authority
NOx	Nitrogen oxides
NDP	National Development Plan
NSRF	National Strategic and Reference Framework
NUTS 2	Cohesion region (nomenclature of territorial units for statistics)
General Regulation	Council Regulation (ES) No 1083/2006 of 1 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing the Regulation (ES) No 1260/1999
OM	Operational Manual
OP T	Operational Programme Transport
OP HRE	Operational Programme Human Resources and Employment
OP EI	Operational Programme Enterprise and Innovation
OP EC	Operational Programme Education for Competitiveness
OP E	Operational Programme Environment
PCA	Paying and Certifying Authority
ID	Implementing document
PM10	An air pollutant consisting of small particles with an aerodynamic diameter less than or equal to a nominal 10 µm
PPS	Purchasing Power Standards
PROTEXT	PR service of CTK
Implementing Regulation	Commission Regulation No 1828/2006 laying down rules of implementation to Council Regulation (EC) No 1083/2006 and Regulation of the European Parliament and Council (EC) No 1080/2006 considering the European Regional Development Fund
RDP	Rural Development Programme

Abbreviation	Description
PwC	PricewaterhouseCoopers
ROP SE	Regional Operational Programme NUTS 2 South-East
RC	Regional Council of the Cohesion Region South-East
MCC	Management and Coordination Committee
MA	Managing Authority
SF	Structural Funds
SO₂	Sulphur dioxide
CSG	Community Strategic Guidelines
SÚS JMK	Správa a údržba silnic Jihomoravského kraje (Road administration and maintenance, South Moravian Region)
SAIF	State Agricultural Intervention Fund
TEN-T	Trans-European Transport Network
PC	Press Conference
TA ROP	Technical Assistance of the Regional Operational Programme
TV	Television
UNESCO	United Nations Educational, Scientific and Cultural Organisation
OPC	Office for the Protection of Competition
ORC	Office of the Regional Council South-East
VOC	Volatile Organic Compounds
RCC ROP SE	Regional Council Committee of the ROP SE

DEFINITIONS 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.

LIST OF TABLES, ILLUSTRATIONS AND GRAPHS

Graph 1: Project Pool for Drawing under the “n+3” Principle (as of December 2008) (anticipated amount of projects submitted for funding by months of the period between 2009 and 2010 – ERDF share)	37
Graph 2: Implementation by Priority Axis (amount of public subsidy funds for projects by the administration status).....	51
Graph 3: Project Pool of the ROP SE (as of 31 December 2008) (projects by the administration status, allocation 2007 - 2013 = 100).....	53
Graph 4: Development of the Exchange Rate EUR/CZK on foreign exchange markets	61
Graph 5: Development in Consumer Prices	62
Graph 6: Interannual Dynamics of Bank Loan Development.....	63
Graph 7: Interannual Dynamics of New Loans Provided (in Czech crowns).....	64
Graph 8: Progress of the Implementation of Priority Axis 1	80
Graph 9: Project Pool of the ROP SE (as of 31 December 2008) – areas of support under Priority Axis 1 (amount of the projects according to the administration status, allocation 2007 - 2013 = 100)	82
Graph 10: Progress of the Implementation of Priority Axis 2 (the amount of public subsidy funds according to administration status).....	91
Graph 11: Project Pool of the ROP SE (as of 31 December 2008) - areas of support under Priority Axis 2 (amount in the projects according to the administration status, allocation 2007 - 2013 = 100)	92
Graph 12: Progress of Implementation of Priority Axis 3 (amount in the projects according to the administration status).....	105
Graph 13: Project Pool of the ROP SE (as to 31 December 2008) - areas of support under Priority Axis 3 (amount in the projects according to the administration status, allocation 2007 - 2013 = 100)	106
Graph 14: Media Coverage of the ROP SE According to the Emotional Tone.....	135
Graph 15: Reviews by Topics	138
Graph 16: Entities Mentioned in the Media in Relation to the ROP SE.....	139
Graph 17: Media Informing the Public about the ROP SE.....	141

Fig. 1. Cohesion regions in the Czech Republic and identification of the NUTS 2 South-East.....	15
Fig. 2. Road II/422 – Lednice – before the implementation	84
Fig. 3. Road II/422-Lednice – after the implementation	84
Fig. 4: Project “Sladovna Hotel“ in Černá Hora (before the implementation)	94
Fig. 5. Project “Sladovna Hotel“– visualisation, anticipated situation after the implementation)	94
Fig. 6. Hospital in Pelhřimov, main building (beds) – before the implementation	108
Fig. 7. Visualisation: The Hospital in Pelhřimov, main building, after the implementation	109
Fig. 8. Danuta Hübner, the European Commissioner, visiting Brno (31 January 2008)	126
Fig. 9. VISION 2015 – the conference aimed at the future development of the ROP SE	127
Table 1: Identification data of the ROP SE	10
Table 2: Context indicators and indicators for horizontal themes.....	16
Table 3: An overview of Calls.....	28
Table 4: Financial Data of the OP (EUR)	31
Table 5: The Financial Plan of the OP.....	32
Table 6: List of Advance and Continuous Payments	34
Table 7: The n+3/ n+2 Rule	35
Table 8: Cumulative Distribution of the Allocation from the Community Contribution by Category (as of 31 December 2008)	38
Table 9: Investments of the OP in Disadvantaged Regions.....	48
Table 10: Implementation by Priority Axis	50
Table 11: Real Progress in the OP.....	54

Table 12: Progress in Achievement of Lisbon Indicators	55
Table 13: Important milestones of the ROP SE in 2008	56
Table 14: Fulfilment of the Output Indicators of Priority Axis 1	74
Table 15: Progress of the Implementation of Priority Axis 1	79
Table 16: Fulfilment of the Output Indicators of Priority Axis 2	86
Table 17: Progress of the Implementation of Priority Axis 2	90
Table 18: Fulfilment of Output Indicators of Priority Axis 3	95
Table 19: Progress of Implementation of Priority Axis 3	103
Table 20: Fulfilment of Output Indicators of Priority Axis 4	110
Table 20 a: Progress of implementation of Priority Axis 4	112
Table 21: Summary of the Projects under Priority Axis 4 – ‘Technical Assistance’ in 2008 (CZK)	116
Table 21 a: Drawing the budget of the Communication Plan South-East	118
Table 22. List of Methodical Guidelines.....	122
Table 23: A List of Seminars for Applicants and Beneficiaries in 2008	128
Table 24: Information on Communication Activities Directed to Target Groups in 2008.....	132