



EUROPEAN COMMISSION

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Summary of Partnership Agreement for the Czech Republic, 2014-2020

Overall information

The Partnership Agreement (PA) for the Czech Republic covers five funds: the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).

The PA outlines the way in which the financial means of these five funds will be used to help the Czech Republic to achieve its smart, sustainable and inclusive growth targets.

The PA focuses on following financing priorities:

- Promoting efficient and effective employment services that will contribute to increase the employment rate, particularly of vulnerable groups.
- Supporting high-quality education system (lifelong learning) to produce qualified and adaptable labour force.
- Enhancing research & innovation system based on high-quality research, interconnected with the application sphere and targeted at commercialisation of results.
- Supporting actions leading to an increase in private sector research & development investments, helping SMEs to be competitive in a global market and contributing to the shift towards a low-carbon economy.
- Investing in sustainable infrastructure facilitating business competitiveness and adequate territorial serviceability.
- Promoting a transparent and effective public administration with less administrative and regulatory burdens capable of responding to emergencies.
- Fostering social inclusion of vulnerable groups and combating poverty.
- Promoting landscape protection and climate change adaptation policies.

These funds offer additional financial leverage for the the Czech Republic's medium and long-term growth and development strategy. They will help mobilise additional public and private funding for sustainable growth and job creation, and will contribute to reduce regional disparities.

Strengthening competitiveness and enhancing innovation are at the core of the strategies of the ESI Fund. To that extent investments will support actions which will further stimulate growth, job creation, improve the R&I performances, promote quality of higher education, and stimulate private investment.

Improving energy efficiency in buildings and enterprises and increasing share of renewable energy sources in the overall energy sector, will help in the shift to a low-carbon and environment-friendly economy.

ESF investments will target disadvantaged people to help them join the labour market and will help to increase the capacity of childcare facilities. Children, marginalised communities and people with disabilities are among those who should benefit the most. The funds will support initiatives to improve the quality of all levels of education to ensure that people get the right skills to compete on the labour market and find a good quality and sustainable job.

The ESF will also support the efforts of the Czech Republic to improve the efficiency, effectiveness, professionalism and transparency of its public administration through improvements in the necessary institutional capacities.

Investments in these areas will be instrumental in helping the Czech Republic to respond to the Europe 2020 priorities and country specific recommendations under the European Semester for crucial policy reforms in education, employment, social inclusion and public administration.

Some EUR 6.2 billion will be invested to upgrading the infrastructure. In the transport sector, the railway sector will play a key role in ensuring a real shift to sustainable mobility.

The EAFRD will mainly contribute to increasing the sustainable use of natural resources, biodiversity and climate action. Substantial amounts will also be invested to improve the competitiveness of the agri-food sector, as well as the balanced territorial development of rural communities and economies.

The EMFF will target increasing the competitiveness of the Czech aquaculture sector and the sustainable management of natural resources.

The Czech Republic has chosen to finance investment under all 11 thematic objectives defined in the Regulations. Details on thematic objectives are presented in Table 1.

ESIF contribution and objectives

ESIF support will predominately contribute to the Czech Republic' effort to reach Europe 2020 objectives:

- Attainment of the target of the Digital Agenda for Europe: 100% coverage of 30mbps internet and creation of conditions for the achievement of the 100 mbps internet usage target
- Providing a significant contribution in reducing energy consumption in buildings and enterprises in order to achieve a 20% reduction in primary energy consumption by 2020.
- Increasing the employment rate, reducing poverty and exclusion, improving adaptation of education to labour market needs.
- Enhancing the business environment by reducing administrative burden.
- Supporting the establishment of firms and competitiveness in international markets.

Budget

In 2014-2020, EUR 22 billion is allocated the Czech Republic for Cohesion Policy (ERDF, ESF, Cohesion Fund) including EUR 340 million for European Territorial Cooperation and EUR 13 million for the Youth Employment Initiative. An additional EUR 2 billion will be invested in the development of the agricultural sector and rural

areas by the EAFRD, and EUR 31 million in the fisheries and aquaculture sectors by EMFF.

The investments of the funds need to concentrate on a limited number of priorities. To that extent the Czech Republic will invest in the promotion of research and innovation (EUR 2.5 billion), enhancing access to, use and quantity of ICT (EUR 1 billion), reinforcing the competitiveness of enterprises (EUR 1.4 billion) supporting the shift towards a low carbon economy (EUR 2.2 billion). Thematic concentration is therefore above the minimum requirement.

The ESF share in Cohesion Policy funding is 22.3% equivalent to EUR 3.4 billion.

Significant attention is given to the territorial dimension of interventions in particular in the area of urban development and access to public services. At least 5% of the ERDF will be invested in sustainable urban development.

More than 22% of the allocation of the ESI Funds will make a contribution to climate change objectives, which is in line with the overall ambition to devote at least 20% of the budget of the European Union to those objectives.

Programmes architecture

Cohesion policy will be implemented through 8 operational programmes:

- 2 national operational programmes co-financed by ERDF (Enterprise and Innovation for Competitiveness; Integrated Regional);
- 2 national operational programmes co-financed by ERDF and CF (Transport; Environment);
- 2 national operational programmes co-financed by ESF and ERDF (Research, Development and Education; Prague Growth Pole);
- 1 national operational programme co-financed by ESF (Employment);
- 1 national operational programme co-financed by CF (Technical Assistance)

Moreover there is 1 EAFDR rural development programme and 1 EMFF fisheries programme.

Details on the individual allocations are presented in table 2.

Table 1: Allocation: breakdown by thematic objective and by fund (except territorial cooperation).

Thematic objective	ERDF	ESF	Cohesion Fund	EAFRD	EMFF	Total
	Euro					
1. Strengthening research, technological development and innovation	2,421,050,980			85,568,023		2,506,619,003
2. Enhancing access to, and use and quality of, ICT	1,025,806,133					1,025,806,133
3. Enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF)	892,130,143			428,544,298	21,198,975	1,341,873,416
4. Supporting the shift towards a low-carbon economy in all sectors	1,720,569,475		509,626,952	17,037,110		2,247,233,537
5. Promoting climate change adaptation, risk prevention and management	173,640,003		453,242,155	724,001,865		1,350,884,023
6. Preserving and protecting the environment and promoting resource efficiency	777,013,397		1,205,075,137	724,001,865	8,201,740	2,714,292,139
7. Promoting sustainable transport and removing bottlenecks in key network infrastructures	2,519,745,264		3,723,015,754			6,242,761,018
8. Promoting sustainable and quality employment and supporting labour mobility	6,652,474	1,283,683,716		58,166,870		1,348,503,060
9. Promoting social inclusion, combating poverty and any discrimination	1,037,378,062	1,512,161,471		108,516,702		2,658,056,235
10. Investing in education, training and vocational training for skills and lifelong learning	899,317,340	428,757,043		1,997,263		1,330,071,646
11. Enhancing institutional capacity of public authorities and stakeholders and efficient public administration	94,506,295	112,595,903				207,102,198
Technical assistance	372,880,065	92,805,105	367,965,724	22,500,000	1,707,300	857,858,194
Total	11,940,689,631	3,430,003,238	6,258,925,722	2,170,333,996	31,108,015	23,831,060,602

The allocation to Youth Employment Initiative accounts for €13million.

Table 2: Allocation to programmes

Operational programme	Thematic objectives covered	ESI Fund	Allocation (EUR)
OP Enterprise and Innovation for Competitiveness	TO 1, 2, 3, 4 and 7	ERDF	4,331,062,617
OP Research, Development and Education	TO 1, 9, 10	ERDF, ESF	2,779,600,572
OP Environment	TO 4, 5 and 6	ERDF, CF	2,636,592,864
OP Transport	TO 7	ERDF, CF	4,695,769,435
Integrated Regional OP	TO 2, 4, 5, 6, 7, 9, 10 and 11	ERDF	4,629,160,909
OP Technical Assistance	N/A	CF	223,704,582
OP Employment	TO 8, 9 and 11	ESF, YEI	2,145,737,492
OP Prague Growth Pole	TO 1, 4, 8, 9 and 10	ERDF, ESF	201,590,104
Rural Development Programme	TO 1, 3, 4, 5, 6, 8, 9 and 10	EAFRD	2,170,333,996
OP Fisheries	TO 3 and 6	EMFF	31,108,015