1. Basic Information

1.1 Project Number CZ 01.11.01

1.2 Project Title Nové Hrady Project – Bio-technology Centre

1.3 Sector
Economic development

1.4 Project Location
Euroregion: “Silva Nortica” (establishment under preparation)
Cross-border region: Czech Republic - Austria
District: České Budejovice
Municipality: Nové Hrady
Cadastral territory: Nové Hrady

2. Objectives

2.1 Overall Objective(s)
The project is in compliance with the Joint Programming Document (JPD), Czech Republic – Austria medium-term strategy and priorities for the Interreg III A - Phare CBC programmes. The project fits in the objectives of the priority “Cross-border economic co-operation”. The project is targeted at the support of innovation and co-operation of scientific and research institutions on both sides of the border and creates thus pre-conditions for the economic growth in the border areas. The establishment of a regional centre concentrating advanced technologies will contribute to the promotion of innovative approaches and the use of modern technologies in small and medium-sized businesses in the border area.

The project creates pre-conditions for:

- Development of cross-border co-operation between research institutes;
- Enhanced co-operation between R&D and business sector along the Czech-Austrian border focused on advanced technologies.

2.2 Project Purpose
The project purpose is to establish a centre for research, development and training in biological technologies at a level comparable with research centres in the EU Member States. The establishment of the centre will enable:

- Broader basic research and development in eco-physiology and bio-technology of photosynthesis, and closer co-operation between research teams of AVCR
regional research institutes, University of South Bohemia in České Budejovice and Johannes Kepler University at Linz;

- Broader co-operation with the production sector when introducing autotrophic and solar technologies (increase from the current 3 production companies up to 3 – 8);
- Distribution of information via the Internet, direct expert consultations and advice provided by specialists of the Bio-technology Centre Nové Hrady, e-mail discussion groups, SMS information etc.;
- Organization of training and re-training courses, specialised seminars, workshops and summer training courses for the whole high-tech sphere.

Training activities of the Centre in one calendar year:

<table>
<thead>
<tr>
<th>Type of activity</th>
<th>Number of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Before the implementation</td>
</tr>
<tr>
<td>International workshops and conferences</td>
<td>40</td>
</tr>
<tr>
<td>Czech-Austrian post-graduate programme</td>
<td>0</td>
</tr>
<tr>
<td>Regional conferences and seminars</td>
<td>200</td>
</tr>
<tr>
<td>Summer training courses</td>
<td>40</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td>280</td>
</tr>
</tbody>
</table>

The project implementation will create 17 new jobs:

<table>
<thead>
<tr>
<th>Profession</th>
<th>Human resources (women/ men)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Before the implementation</td>
</tr>
<tr>
<td>Scientific staff</td>
<td>6 (3/3)</td>
</tr>
<tr>
<td>Technical staff</td>
<td>2 (1/1)</td>
</tr>
<tr>
<td>Administrative staff</td>
<td>5 (3/2)</td>
</tr>
<tr>
<td><strong>Aggregate</strong></td>
<td>13 (7/6)</td>
</tr>
</tbody>
</table>

2.3 Accession Partnership and NPAA Priority

The building and extending of the scientific and research infrastructure, extending the offer of training for acquiring qualification with a potential for cross-border co-operation and for co-operation between the scientific and economic spheres contributes to achieving the objectives of the EU integration.

The project is in compliance with priorities of the National Programme for the Adoption of Acquis (3.6.2), point 3.6.2.

2.4 Cross-border Impact of the Project

The Bio-technology Centre will form a link in a regional chain of centres (Linz - Hagenberg - Freistadt - České Budejovice - Nové Hrady - Trebon - Gmünd/České
Velenice) in the border region. Among other important Austrian partners, Energiezentrum Waldviertel, Waldviertler Sparkasse has to be named especially. In the cross-border co-operation in science and research it will play a role of a development and pre-application centre for biotechnologies, physical, solar, environmental technologies and the relevant supporting technologies (centre for speedy preparation of prototypes).

The Centre’s activities will influence positively cross-border co-operation in the development of regional economy, information networks and human resources. The Centre will assist in levelling conditions in employment in the sphere of special biotechnologies and will thus contribute to reductions in migration of labour.

The Austrian party has been preparing a mirror project within INTERREG IIIA. The preparation of both the projects is closely co-ordinated. The project will be supported by both the Upper-Austrian Government and the Ministry of Labour and Economy in Vienna.

3. Description

3.1 Background and Justification

If compared to the other parts of the world, in many parts of Europe - not excluding the areas of Upper Austria and Southern Bohemia - the development of “science about life” is lagging back. This is the case especially of bio-technologies and other technologies used in applied biology, and of environmental technologies. An enormous increase in these branches is expected in near future and will require adequate human resources and technology infrastructure.

There is a large research potential for “science about life” in the region. In its Czech part it is mainly the Faculty of Biology and of Agriculture of University of South Bohemia in Ceské Budejovice, institutes of the Academy of Science of the CR, research profit and non-profit organisations established in Ceské Budejovice, Trebon, and the Academic and university centre in Nové Hrady. In the Austrian area there are groups from the Johannes Kepler University at Linz, the Competency centre for wood mass and wood processing at Linz and the Supra-computer Centre at Hagenberg. Profiles and competencies of the above institutions are complementary.

The project is based on the complementarity of the Johannes Kepler University at Linz and of the University of South Bohemia in Ceské Budejovice. At the Linz University students are educated in physics and chemistry, while the University of South Bohemia in Ceské Budejovice offers good education in biology branches.

There are two technology parks in the region, one in Upper Austria at Freistadt and the other at the border between Lower Austria and Budejovice region in Ceské Velenice – Gmünd. These parks provide mainly the infrastructure, administrative background and mediate contacts e.g. with groups providing the development capital.

The Bio-technology Centre is located in the campus of the Academic and university centre Nové Hrady. The campus includes a castle and a former greenhouse with an adjacent newly constructed utility building. The objective of the Centre is to use the
rooms in the Castle as ceremonial rooms, lecture halls, classrooms, a library, studies and offices. A lodging capacity for 40 students should also be constructed in the Centre. The former greenhouse will be converted into a technology hall and the adjacent utility rooms into laboratories.

The Mechanism, Eco-physiology and Bio-technology of Photosynthesis Centre will use the administrative support of the Academic and university centre in Nové Hrady, it will have access to its experimental installations, IT etc.

3.2 Linked Activities

University of South Bohemia in Ceské Budejovice has signed a long-term agreement on co-operation with the Johannes Kepler University at Linz. One of its practical outputs is a post-graduate programme in "science about life" within a mirror project prepared by Johannes Kepler University at Linz for Interreg III A.

The draft project is based on results and recommendations of A Phare project No.CZ 9705-03&04-03-06 implemented by NVF and WME "Support to wider co-operation between universities and industrial enterprises" creates conditions for jointly oriented research aimed at enhancing the competitiveness of companies and academic institutions.

University of South Bohemia in Ceské Budejovice has been co-operating closely for several years with the Micro-biological Institute of the Academy of Science of the CR at Trebon. It has been preparing first joint projects with the technology park Ceské Velenice – Gmünd within the services it offers. Informal contacts have been established with the Technology Centre at Freistadt and the Supra-computer Centre at Hagenberg.

The "Mechanism, eco-physiology and bio-technology of photosynthesis" research centre co-operates with Solarglas in the development of new solar technologies and with Galena a.s. in the sphere of algae bio-technologies.

3.3 Results

The project implementation will bring the following results:

- A reconstructed technology hall with a bio-technology line and an experimental solar installation;
- Reconstructed laboratories equipped with furniture and laboratory instruments and equipment;
- Newly furnished office rooms with IT installations;
- 30 trained operators of the Centre for the new experimental installation.

3.4 Activities

In compliance with the overall objective and the technical design the following activities will be implemented by the project:

Reconstruction of the laboratory building, including the construction of an additional floor, with the total area of 433 m2:

- Dismantling roof panels;
• Construction of a additional floor;
• Construction of stairs into the additional floor;
• New roof trusses;
• Reconstruction of the ground-floor rooms;
• Reconstruction of the utility networks (water, electricity);
• Installation of a new heating system;
• Installation of new windows;
• Thermal insulation of the building;
• Construction of a corridor linking the laboratory building with the technological hall.

Conversion of the greenhouse into a technology cultivation hall with the total area of 343 m²:
• Demolition of the unsuitable structures (maintaining the historical peripheral walls);
• Construction of a new structure (roof trusses, central columns, gallery);
• Span roof (roof assembled partly of special glass elements and solar panels, partly covered with ceramic tiles);
• Southern façade from special glass elements and solar panels;
• Northern and eastern façade insulated with a contact insulating system;
• Western facade (without insulation) – renovation of the historical entrance portal;
• Technology and utility networks in the building;
• Construction of a sewage sump for chemical wastewater;
• Construction of a gas service pipeline (140 m) for the hall;
• Construction of hot water service pipelines;
• Construction of surface water sewerage;
• Replacement of the current heating system.

Installation of the bio-technology line into the newly constructed spaces:
• Cultivation part;
• Processing part;
• Accessories.

Equipment of:
• Offices and laboratories with furniture and laboratory equipment;
• Offices with IT;
• Laboratories with special laboratory instruments.

Training of 30 operators for the new experimental equipment.

Conversion of a greenhouse into the technology hall, including the installation of a bio-technology line and the reconstruction of laboratory rooms, will be covered from the
Phare funds as a delivery of works. The delivery will also include training of operators for the facility.

The furnishing of offices and laboratories with furniture, IT, smaller laboratory instruments and laboratory equipment will be paid from the Czech resources (national co-financing share) in keeping with the Czech law.

4. Institutional Framework

The National Aid Co-ordinator (NAC) has an overall responsibility for programming, monitoring and implementation of the Phare programme. The National Fund (NF), managed by the National Authorising Officer (NAO), will supervise financial management of the programme and will be responsible for reporting to the European Commission.

The Ministry for Regional Development, in co-operation with the Centre for Regional Development, is the programme Implementing Agency (IA) with the overall responsibility for the project implementation. The NF will be transferring funds from the Phare resources to accounts managed by IA as authorised by the Financing Agreement signed between the MF/NF and IA.

The IA is managed by the Programme Authorising Officer (PAO) nominated by the Ministry for Regional Development and approved by the NAO and agreed by NAC. The PAO is responsible for all activities of the IA.

The project promoter is the University of South Bohemia in České Budejovice. Relations between the organization charged with the operation of the facility/building (“Collective technical and economic administration of biological institutions/sites of the Academy of Science of the Czech Republic”, České Budejovice) and the University of South Bohemia in České Budejovice are governed by a long-term contract.

The investor is responsible for the Czech contribution to co-financing, for acquiring a land-use decision and a building permit, for preparing and launching the tender for a contractor, preparing a contract, supervising the works and for the final acceptance.

Investor: Jihoceská univerzita v Českých Budějovicích (University of South Bohemian in České Budejovice)
Branišovská 31, České Budejovice 370 05

Represented by: Prof. Ing. František Strelec, CSc., Rector
Contact person: RNDr. Dalibor Štys, CSc.
Phone.: + 420-38 777 55 42
Fax: +420-38 53 00 366

5. Detailed Budget (MEUR)

<table>
<thead>
<tr>
<th>Phare</th>
<th>National co-financing share</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
<td>Institution</td>
<td>Total Phare (=I+IB)</td>
</tr>
<tr>
<td>Support</td>
<td>Building</td>
<td></td>
</tr>
</tbody>
</table>

Phare CBC 2001, Czech Republic - Austria
The Czech co-financing share consists of:

- Furnishing offices and laboratories,
- Equipment of offices with IT,
- Equipment of laboratories with special laboratory devices.

The Czech co-financing share will be covered from a subsidy of the Ministry of Education of the CR granted to the University of South Bohemia in České Budejovice.

### 6. Implementation Arrangements

#### 6.1 Implementing Agency

The Ministry for Regional Development in conjunction with the Centre for Regional Development CR.

**PAO:** RNDr. Jirí Horáček, director, Department of EU programmes, MRD CR  
**Address:** Staromestské nám. 6, 110 15 Praha 1  
**Phone:** + 420-2 2486 1398  
**Fax:** + 420-2 2486 1415  

Implementing Agency:  
**Director:** RNDr. Ivo Ryšlavý  
**Address:** Centre for Regional Development CR, Vinohradská 46, 120 00 Praha 2  
**Phone:** + 420-2 21 580 285  
**Fax:** + 420-2 21 580 229

#### 6.2 Non-standard Aspects

The project will be managed using the methodology specified for Candidate Countries in the manual for the management of programmes supported from the EU sources – “Practical Guide for Phare, Ispa and SAPARD”.

The Czech party’s contribution is governed by Contract No.: 21 886/00-31 “on conditions of awarding and using subsidies from the state budget of the CR, from special funds for the implementation of research and development projects” signed based on § 51 of the Civil Code and other Czech rules applying to the use of subsidies and funds by public universities. The tender for supplies of parts of equipment constituting the Czech contribution must follow the above rules.
6.3 Contracts (MEUR)

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of contract</th>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Works contract</td>
<td>Delivery of construction works and technological units (tender will follow the Phare rules)</td>
<td>1,360</td>
</tr>
</tbody>
</table>

7. Implementation Schedule

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start of tendering*</td>
<td>07/02</td>
</tr>
<tr>
<td>Start of project activities</td>
<td>01/03</td>
</tr>
<tr>
<td>Project completion</td>
<td>07/04</td>
</tr>
</tbody>
</table>

* The tender dossier shall be submitted to the European Commission six months after the signature of the Financing Memorandum at the latest (see FM, Chapter Implementation Arrangements).

8. Equal Opportunity

Principles and procedures applied during the project implementation will ensure equal opportunities for all participants of the project.

After the project implementation 30 people will be employed, including about 15 women.

9. Environment

The Environmental Impact Assessment (Act No. 244/1992 Coll.) was prepared in February 2001 by the ENVI, spol.s r.o., a company for environmental, trading and design services, Trebon. Authorised staff: Ing. Vladimír Zadražil, authorisation No. – 5920/946/OPV/93 of 3.5.1994; RNDr. Miroslav Martiš, CSc., authorisation No. – 5914/948/OPV/93.

10. Rates of Return

The economic rate of return is based on a prepared feasibility study. The period assessed was specified based on the depreciation period for the works implemented.

\[ IRR = 8\% \]

The feasibility study was prepared in February 2001 by ENVI, Dukelská 145/l, 379 01 Trebon, tel. (+420-2) 0333 724346, 724681, fax (+420-2) 0333 724346. The study is available at the investor’s office: Jihoceská univerzita v Ceske Budejovicich (University of South Bohemia in Ceske Budejovice), Branišovská 31, 370 05 Ceske Budejovice, RNDr. Dalibor Štys, CSc.
11. Investment Criteria

11.1 Catalytic Effect
The project is of public nature and complies with the regional priorities. In the years to come, the action could not be implemented without support from the EU sources.

11.2 Co-financing
The co-financing share of the Czech party equals 25% of the total project investment costs. This share will be covered by:

Jihoceská univerzita v Ceských Budejovicích
(University of South Bohemia in Ceské Budejovice)
Branišovská 31, Ceské Budejovice 370 05.

11.3 Additionality
The project is of public nature and is not suitable for funding from public sources due to the low financial rate of return of the funds invested. Should the co-financing be provided from a bank loan, the implemented works would not generate resources sufficient for their renewal after their lifetime.

The Phare contribution will not replace other available financial sources. Without the Phare sources the project could not be implemented.

11.4 Project Readiness and Size
The project does not require a land use permit. The building permit will be issued by September 2001. The project meets all the required technical criteria. The relevant studies are available at the secretariat of the “Mechanism, Eco-physiology and Biotechnology of Photosynthesis” research centre, ing. D. Strouhová, Faculty of Biology, Branišovská 31, 370 05 Ceské Budejovice. The tender dossier shall be prepared and submitted to the European Commission six months after signature of the Financing Memorandum at the latest.

11.5 Sustainability
Results of the feasibility study proved that the draft project is of a sustainable nature as it meets all the European norms and standards and complies with the EU legislation in the relevant area.

The operating and maintenance costs during the project implementation will be covered by the investor.

11.6 Compliance with State Aid Provisions
The project implementation will not impair the market or the competition rules; it complies with the provisions of Act on State Aids No.59/2000 Coll., regulating procedures for compliance of public support with the obligations of the CR, laid down in the European Agreement.
11.7 Contribution to National Development Plan

The project respects short-term and medium-term priorities of the National Development Plan with the aim of balancing the quality of the environment, socio-economic level in areas bordering the EU countries. The project is in compliance with regional priorities and measures laid down in the cross-border regional development strategy defined in the Joint Programming Document (JPD) Czech Republic – Austria for the CBC Phare programmes.

Priority: I  Cross-border economic co-operation.
Measure No.: 1  Development of and support to economic areas and infrastructure for the economic sector in border areas

12. Conditionality and Sequencing

The investor is responsible for the preparation of studies and project dossiers necessary for the execution of works, and for the preparation of documents for the selection of a contractor for the works. The investor must observe its commitment of financial participation in the project and is responsible for the quality of the works executed. He must also provide for the activities the contractor is not qualified to execute.

After the completion of the project the investor shall ensure the launching of full operation of the works with a view to its use. He shall ensure regular maintenance and repairs in compliance with the international standards.

Annexes to Project Fiche

1. Logframe matrix in standard format
2. Detailed project implementation time schedule
3. Time schedule for signatures of contracts and the linked schedule of quarterly payments for the whole duration of the programme (including the period when only withdrawals can be done from the respective Phare programme)
4. Reference to the feasibility study; environmental impact assessment
### LOGFRAME PLANNING MATRIX FOR

#### 13. Project

**Nové Hrady Project – Bio-technology Centre**

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-border co-operation between research institutes</td>
<td>Number of international conferences organised</td>
<td>Data of University of South Bohemia in České Budejovice</td>
</tr>
<tr>
<td>Enhanced co-operation between R&amp;D and business sector along the Czech-Austrian border focused on advanced bio-technologies</td>
<td>Co-operation with universities and regional centres in implementation of advanced technologies in the production process</td>
<td>Time tables and programmes of conferences</td>
</tr>
<tr>
<td></td>
<td>Number of SMEs involved in co-operation and supported</td>
<td>Co-operation agreements signed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closer cross-border co-operation between research teams of AVCR regional research institutes, University of South Bohemia in České Budejovice and Johannes Kepler University at Linz in eco-physiology and bio-technology of photosynthesis</td>
<td>Articles in the professional journals and participation to conferences</td>
<td>Statistic data of University of South Bohemia in České Budejovice and Bio-technology Centre</td>
</tr>
<tr>
<td>Implementation of joint projects</td>
<td>A mirror project in INTERREG IIIA in training</td>
<td>Time table of events and their budget costs</td>
</tr>
<tr>
<td></td>
<td>Co-operation with 8-10 production companies after</td>
<td></td>
</tr>
</tbody>
</table>

**Phare log frame**

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Contracting period expires</th>
<th>Disbursement period expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. Phare CBC 2001</td>
<td>Total budget: MEUR 1,813</td>
<td>Phare budget: MEUR 1,360</td>
</tr>
<tr>
<td>15. Czech Republic - Austria</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
with the Johannes Kepler University at Linz
• Closer co-operation with production sector in the border area
• Distribution of information via the internet, direct consultations and advice provided by specialists
• Organisation of training and re-training courses, professional seminars, workshops and special summer courses
• New job opportunities in border areas

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Reconstructed technological facility with an installed biotechnological line and an experimental solar installation</td>
<td>• 343 m² of reconstructed cultivation facility, a solar installation and a biotechnological line</td>
<td>• Civil works designs</td>
<td></td>
</tr>
<tr>
<td>• Reconstructed laboratory space equipped with furniture, laboratory instruments and installations</td>
<td>• 433 m² of reconstructed laboratory space with furniture and new laboratory equipment</td>
<td>• Project Final Evaluation Report</td>
<td></td>
</tr>
<tr>
<td>• Furnished office space and IT classrooms</td>
<td>• 450 m² of equipped service facility for experiment laboratories</td>
<td>• Project final acceptance documents</td>
<td></td>
</tr>
<tr>
<td>• Trained and qualified professionals of the Centre</td>
<td>• 30 trained operators for the new experimental installation</td>
<td>• Records of the training of operators for the experimental installation</td>
<td></td>
</tr>
</tbody>
</table>

Activities | Means | Assumptions |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>the project implementation</td>
<td>• Approximately 900 trainees at various courses/year</td>
<td></td>
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<tr>
<td></td>
<td>• 17 newly created jobs</td>
<td></td>
</tr>
</tbody>
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Phare CBC 2001, Czech Republic - Austria
### 16. Preconditions

- Lasting contracts on co-operation between the parties interested
- Signature of the Financial Memorandum

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<table>
<thead>
<tr>
<th>Objectives</th>
<th>Resources</th>
<th>Preconditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demolition of inadequate facilities</td>
<td>Available funds</td>
<td>Existence of building companies with required experience</td>
</tr>
<tr>
<td>Refurbishment of the laboratory rooms</td>
<td>Construction resources</td>
<td>Smooth and timely funding of the project</td>
</tr>
<tr>
<td>Reconstruction of the greenhouse into a cultivation facility</td>
<td>Training resources</td>
<td>Construction resources made available in a timely manner</td>
</tr>
<tr>
<td>Installation of an experimental solar equipment and a bio-technology production line in the cultivation facility</td>
<td>Materials, equipment</td>
<td></td>
</tr>
<tr>
<td>New laboratory equipment installed in the lab</td>
<td>Design dossier</td>
<td></td>
</tr>
<tr>
<td>Furnishing of offices and installation of IT</td>
<td>Engineering supervision</td>
<td></td>
</tr>
<tr>
<td>Training of staff in the use of new experiment equipment</td>
<td></td>
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## Implementation Time Chart

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<tbody>
<tr>
<td>Construction works</td>
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<td>T/C/I/D</td>
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**T:** Tendering  
**C:** Contracting  
**I:** Implementation  
**D:** Disbursement
### Commitment Schedule

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<tr>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1 360 000</td>
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### Disbursement Schedule

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ANNEX 4

Reference to Feasibility Studies

The outcome of the project will be completion and state-of-the-art equipment of the existing Scientific and Research Centre of University of South Bohemia in České Budejovice. As part of this project a new cultivation hall of the total area of 343 m² will be commissioned and equipped with a bio-technology line, experiment devices and new laboratories and office space for 30 researchers. The proposed project is driven by the regional need to establish a modern up-to-date research centre with sufficient resources to carry out the applied research which is an important link between basic research and practical implementation of its results in industrial production.

Market Analysis

The market target groups include:

- Universities and their facilities at České Budejovice, Trebon, Linz and Hagenberg;
- Technology parks at České Velenice/Gmünd and Freistadt;
- Companies using autotrophic and solar technologies;
- Other organisations applying cutting-edge technologies.

Research and development of new technologies based on non-traditional processes (algae and solar technologies and devices based on innovative physical principles etc.) has a high potential. The Centre will develop and implement the special biotechnologies in production thus significantly contributing to the economic growth. The analysis demonstrated the project sustainability. The building in which the Centre is and will be housed after the project implementation will remain in the ownership of the state represented by the Czech Academy of Science (Akademie věd) through University of South Bohemia in České Budejovice. Therefore there is no risk posed by changes in titles and/or lease contracts.

Organisation of Operations

The facility will be operated by Technicko - hospodářská správa biologických pracovišť Akademie věd CR, (Property Management Unit of the Czech Academy of Science) which will ensure a high standard of the facility operations. Operating costs of the Centre will be covered by the agreed grants and subsidies allocated in the National Budget. Subsidies for 1.7. 2000 to 31.12. 2004 period amount to CZK 176 mil. (5.2 MEUR). The potential risk is the availability of funds to cover the project operating costs after 2004 as this depends on the overall economic situation of the country.

Financial Analysis

The results of financial analysis demonstrated that the grants and subsidies provided to scientific and research development plus revenues generated by R&D results will cover the Centre operating costs, however, the project will not make any profit. After the Centre is commissioned the share of revenues generated by research is expected to go up and the share of subsidies to go down. Repairs and refurbishment of the facility after the end of its life will be funded by the owner (Czech Republic) from the National Budget.
Economic Analysis Results

The result of economic analysis based on the depreciation period applicable to this type of project is IRR = 8%. The economic internal rate of return took into consideration the quantification of saved costs. The project implementation will create prerequisites for cross-border co-operation between research institutes and will encourage closer links between R&D and business sector aimed at modern biotechnology applications in the region including its Austrian side. The results of the study demonstrated that the project proposed is feasible and there are no significant risks which might threaten its implementation. The Project can be recommended for funding from the relevant EU Programme.

Environmental Impact Assessment

Environmental Impact Assessment was carried out in compliance with Directive 97/11/EC of 3rd March 1997. It includes both environmental impacts during project construction and operation. The construction will have no significant environmental impacts. The project operation will have no adverse environmental impacts if the waste is disposed in compliance with the adopted rules. Based on the EIA the Project has been recommended for implementation.