1. **Basic Information**
   1.1 Désirée Number: CZ2003/005-601.08.08
   1.2 Title: Interreg IIIB CADSES and Interreg IIIC
   1.3 Sector: Social and Economic Cohesion
   1.4 Location: Czech Republic

2. **Objectives**
   2.1 Overall Objective(s):
   Ability of the Czech Republic (CR) to take an active part in the trans-national and interregional co-operation towards the sustainable, harmonious and balanced development of the European Union and the third countries, in particular to promote a higher degree of territorial and economic integration across the Central, Adriatic, Danubian and Southeastern European Space (CADSES) and to improve the effectiveness of policies and instruments for regional development and cohesion in the whole European Union and the neighbouring countries.

   2.2 Project purpose:
   • Encourage and increase the participation of the Czech partners in Community Initiative Interreg III, strand B and strand C
   • Contribute to strengthening of administrative capacity for the implementation of Interreg IIIB CADSES and Interreg IIIC programmes after accession.
   • Contribute to development of local capacity to prepare potential beneficiaries and intermediaries to participate in development and implementation of transnational and interregional projects under Interreg IIIB CADSES and Interreg IIIC after accession.

2.3 **Accession Partnership (AP) and NPAA priority**
The Project is in line with the Accession Partnership 2001 and with the medium-term priorities of the National Programme for the Adoption of the Acquis (NPAA) 2001 set in the area of economic and social cohesion aimed at integrated regional policy including preparation of instruments for implementing the SF and CF in order to participate in EU structural programmes after accession.

The implementation of specific projects under Interreg IIIB and Interreg IIIC will help develop, test and strengthen relevant administrative structures and provide guidance and information to potential project promoters and thus prepare for the future active participation in this Community Initiative. This project deals with the implementation of an important principle of the EU regional and integration policy aimed at efficient transnational and interregional co-operation.

2.4 **Contribution to National Development Plan**
The Project is in line with the objectives of the NDP: it supports Czech activities contributing to the sustainable and balanced development in the European Union and the third countries. Through this it contributes also to the implementation of the cohesion policy within the Czech Republic.

2.5 **Cross Border Impact** NA

3. **Description**
   3.1 **Background and justification:**
   **Background**

A continued cohesion process within the whole European space is fundamental for further development of EU Member States and the Candidate Countries as well. During this process regions lagging behind are supported in their integration efforts. As a consequence, Community Initiative Interreg was designed in the past as one of the focuses of Structural Funds in order to promote cross-border (strand A), transnational (strand B) and later on also interregional (strand C) co-operation (the last strand was introduced newly in this funding period). Whilst the Czech Republic can refer to a relatively long record regarding the cross-boarder co-operation, which has been
supported by both national funds and a special Phare CBC Programme, the focus on the transnational co-operation was less intensive.

In the past planning period (1994 – 1999) Interreg IIC Community Initiative implemented projects within the framework of spatial planning under Article 10 of the former ERDF regulation (transnational co-operation on regional & spatial planning, including management of water resources). One of the areas which lacks a common spatial development strategy and efficient co-operation between individual planning systems and therefore it was covered by the programme was the Central, Adriatic, Danubian and Southeastern European space (CADSES) where the Czech Republic is located. The CR took part in 19 transnational projects under Interreg IIC (e.g. Vision Planet, Tecnoman, Sustrain, Oderregio etc.).

Currently, the transnational co-operation in this area continues within the Interreg IIIB CADSES programme The 1st Call for Proposals in all relevant countries under Interreg IIIB CADSES was published on 15 June 2002. The deadline for submission of project proposals was 31 July 2002. The selected projects have been approved for financing by the Steering Committee in Roma on 10 December 2002 (among them 10 projects with Czech partners). The next Call for Proposals was launched on 14 April 2003. The deadline for submission of project proposals is 17 June 2003. The meeting of the SC for deciding on the projects to be supported will take place on 15 October 2003.

Over recent years, interregional co-operation has become an increasingly important part of the EU structural policy. European regions face a lot of socio-economic problems, in particular the impact of the globalisation of the economy. Intergregional co-operation projects, which have been implemented also in the past, have helped them to address these problems. In order to encourage a more strategic approach the Commission initiated the introducing a more programmatic approach which would produce a greater degree of coherence. The Interreg IIC - as a new strand of this Community Initiative - offers an additional dimension to the field of co-operation activities over and above those provided by cross-border and transnational programmes. It allows non-contiguous regions to enter into contact and to build up relationships leading to networking and drawing on the experience of other regions facing the same problems and finding common solutions.

Interreg IIIC is implemented within four larger programme areas (zones): South, North-West, North-East and East – the last one newly covering also the Czech Republic. The co-operation is not limited to partners within the same programme area. However, a project can only be submitted under a programme when its lead partner is located in that area, even though partners can come from other regions outside the respective programme area. The 1st Call for Proposals in all relevant countries in the Interreg IIIC area was launched on 10 October 2002. The deadline for submission of project proposals was 10 January 2003. The selected projects have been approved for financing by the Steering Committee for zone East on 8 April 2003. The subsequent Call for Proposals will be launched on 16 June 2003 and the deadline for submission of proposals will be 26 September 2003.

According to the Guidelines for Interreg III all necessary structures for the government and the management of the programmes both for strand B and strand C were created (detailed description please see Annex 4).

**Justification**

Projects in Interreg IIIB CADSES and Interreg IIIC programmes are transnational (Interreg IIIB) and interregional (Interreg IIIC) in character; their co-operative implementation can only be guaranteed if the participating Non-Member States, to which the programmes are opened, especially the candidate countries, are given the opportunity to practically participate in the programme.

All accession countries participating in Interreg IIIB CADSES and Interreg IIIC, among them also the CR, are expected to contribute to the programme. This project reflects the experience gained during the implementation of Interreg IIC in the previous planning period when the participating Non-Member states faced problems with raising sufficient funds for co-financing of their participation in the projects as they were not eligible for drawing money from Structural Funds. Though the Non-Member states are not eligible for support from Structural Funds their contribution may be supported from the Phare national programme funds" as explicitly proposed in the communication “Phare 2000 Review” from Commissioner Verheugen of 27 October 2000 and as reiterated by the revised Phare Guidelines of 6.09.2002. References to the participation of candidate countries in Interreg III B and C are to be found in the “Communication from the Commission to the Member States laying down guidelines for a Community initiative concerning trans-European co-operation intended to encourage harmonious and balanced development of the European territory - Interreg III” of 28 April 2000, “Communication from the Commission to the Member States on interregional co-operation – strand C of Interreg III Community initiative” of 7 May 2001, “Communication from the Commission to the Member States on the impact of enlargement on regions bordering

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1 [C(2002) 3303-2 of 6.09.2002] “In order to fund their participation in other INTERREG III B (transnational), such as CADSES, or III C (inter-regional) programmes, candidate countries are invited to continue to use their Phare national programme funds”.

2
Candidate Countries” of 25 July 2001 and the core Interreg IIIB CADSES and Interreg IIIC documents, i.e. the relevant Community Initiative Programmes and their Programme Complements.

Based on that, the Czech Republic as a Candidate country can establish an Interreg IIIB CADSES/Interreg IIIC co-financing fund within the chapter Social and Economic Cohesion of its National Phare Programme. Allocation of national Phare funds through a specific Grant Scheme both to Interreg IIIB CADSES and Interreg IIIC programme is based on national decisions and subject to endorsement by the EC. The Phare project part will be implemented in accordance with the Operational Guidelines developed at national level on the basis of the Programme Complements for Interreg IIIB CADSES and Interreg IIIC and in line with relevant Phare PRAG stipulations.

Thus, this project will help solve the persisting lack of necessary funds to support Czech participation in transnational and interregional projects of Interreg IIIB CADSES/Interreg IIIC programmes. It will support a limited number of Czech partners in transnational and interregional projects of Interreg IIIB CADSES/Interreg IIIC programmes and in general it will contribute to strengthening both the administrative and absorption capacity of the Czech Republic in order to increase Czech participation in joint projects implemented under Interreg IIIB CADSES/Interreg IIIC with a view to future membership in the European Union.

3.2 Linked activities:

Phare CBC – though Phare CBC programme is primarily focused on strand A of Interreg (cross-borderer co-operation), between 1998 and 2001 Czech partners in six Interreg IIC projects received co-funding from this programme in total amount of 940,000 EUR. No other national, CBC or multicountry Phare programme has provided funding to any activities implemented under Interreg transnational or interregional projects.

3.3 Results:

In general, the implementation of the Grant Scheme will bring the following results:
- strengthening of administrative capacity for the implementation of Interreg IIIB CADSES and Interreg IIIC programmes after accession.
- development of local capacity to prepare potential beneficiaries and intermediaries to participate in development and implementation of transnational and interregional projects under Interreg IIIB CADSES and Interreg IIIC after accession.

Furthermore, the Grant Scheme is expected to result in successfully implemented parts of Interreg IIIB CADSES/Interreg IIIC projects which are within the responsibility of Czech partners. Specific results will include contribution to achievement of priorities and measures specified in the Interreg IIIB CADSES Community Initiative Programme and of eligible types of operations specified in the Interreg IIIC Community Initiative Programmes (see 3.4. below).

3.4 Activities:

The activities carried out within the responsibility of Czech partners in approved Interreg IIIB CADSES projects will principally address the following priorities and measures as described in Operational Programme for CADSES:

**Priority 1** Promoting spatial development approaches and actions for social and economic cohesion
- Measure 1.1 Supporting joint strategies for spatial development and actions for implementation
- Measure 1.2 Shaping urban development, promoting urban networks and co-operation
- Measure 1.3 Shaping rural development
- Measure 1.3 Spatial impact of immigration

**Priority 2** Efficient and sustainable transport systems and access to the information society
- Measure 2.1 Developing efficient transport systems with regard to sustainable development
- Measure 2.2 Improving access to knowledge and the information society

**Priority 3** Promotion and management of landscape, natural and cultural heritage
- Measure 3.1 Protecting and developing cultural heritage
- Measure 3.2 Protecting and developing natural heritage
- Measure 3.3 Protecting and developing landscape

**Priority 4** Environment protection, resource management and risk prevention
- Measure 4.1 Promoting environmental protection and resource management
- Measure 4.2 Promoting risk management and prevention of disasters
- Measure 4.3 Promoting integrated water management and prevention of floods
The following activities will be eligible under the Grant Scheme for above mentioned priorities and measures:

- Preparation of planning activities and transnational studies (projects and programmes especially in relation to the enlargement of the EU, development strategies, feasibility studies for investments, land use plans, EIA studies, transfer of knowledge, etc.).
- Development of new and extension of existing transnational networks and network related activities (staff exchange, joint training facilities and programmes).
- Pilot actions (pilot and demonstration projects as examples for implementing transnational concepts and strategies).
- Providing information, training and awareness raising (exchange of know-how and experience between actors with used comparative analysis of instruments, methodologies, standards and concepts, transnational project management with organisational structure and costs, implementation structures proposed by transnational strategic concepts).

Contrary to the case of Interreg IIIB CADSES, Interreg IIIC programmes do not include priorities or measures. Under Interreg IIIC programmes three types of operations are eligible:

- regional framework operations;
- individual interregional co-operation projects;
- networks.

Interreg III C promotes interregional co-operation in the types of activities supported through the EU regional policy. The following topics for co-operation will be eligible under the Grant Scheme:

- Exchange of experience on types of activities supported under Objective 1 and 2 of the Structural Funds
- Exchange of experience on interregional co-operation linking public authorities or equivalent bodies involved in other Interreg programmes
- Exchange of experience on interregional co-operation in the field of urban development
- Exchange of experience on interregional co-operation linking regions involved under one or several of the three themes of the regional innovative actions
- Exchange of experience on other subjects appropriate to interregional co-operation

Implementation The above priorities/measures/activities will be implemented under a specific Grant Scheme funded from the national Phare programme. The grants under the Grant Scheme will be awarded to the Czech partners directly without a Call for Proposals as the projects have already been checked as parts of those joint transnational/interregional projects which have successfully gone through an evaluation process under Interreg III CADSES/Interreg IIIC (see below). Thus, the Czech partner (and his activities) in a successful Interreg IIIB CADSES/Interreg IIIC project qualifies for support from this Grant Scheme provided he meets all of the following basic eligibility criteria:

- project comprises a Czech part of a joint transnational/interregional project already approved for funding from ERDF by the Interreg IIIB CADSES/Interreg IIIC Steering Committees under 1st or subsequent Calls for Proposals;
- beneficiary must be public or non-profit making body;
- costs eligible for funding according to Phare rules must be incurred after the signature of the Grant Contract

Operational Guidelines will be drafted describing in detail all phases of the GS project cycle including all tasks and responsibilities of the bodies and subjects involved. The Grant Dossier including the Operational Guidelines will be submitted to the DEC for approval. This will be fully in compliance with relevant PRAG principles and provisions and will take into account the Interreg procedures to the maximum possible extent. If the implementation of project involves any sub-contract, the contract award procedures specified in PRAG must be applied for each such sub-contract.

The Contracting Authority may consider to publish on the Internet a preliminary general information (conditional to the approval of FM and the Grant Dossier) to potential successful Czech participants in Interreg IIIB CADSES/Interreg IIIC programmes on the possibility to apply for a Phare grant under this project provided the respective Financing Memorandum is signed and, as referred to hereafter, the Grant Dossier and the Operational Guidelines is approved by the DEC.

After relevant Steering Committees have decided on projects to be supported under Interreg IIIB CADSES/Interreg IIIC and successful transnational and interregional projects with Czech participation are known, the Implementing Agency (the Centre for Regional Development CR) on behalf of the Contracting Authority (the Ministry for Regional Development CR) will confirm to Czech partners the possibility to submit grant
applications under this project (Grant Scheme). However, this cannot happen before the Financing Memorandum for Phare National Programme 2003 is signed and before the Grant Dossier including the Operational Guidelines is approved by the DEC.

Czech partners will submit their grant applications to the Implementing Agency which will provide all necessary administrative support to the National Steering Committee (NSC). The NSC will be responsible for identification of projects to be co-financed from this Grant Scheme, for identification of eligible costs and establishment of the grant amounts. After the projects which qualify for support are identified (based on the above basic eligible criteria), the NSC will draft the list of Grant Contracts to be awarded together with Evaluation Report and submit them to the PAO. The PAO approves these documents and submits them to the DEC for final approval.

Financial conditions

The maximum Phare grant per project is **300 000 EUR** and will not be more than 75% of the total eligible project costs.

3.5 Lessons learned:

During the implementation of Community Initiative Interreg IIC in the previous planning period Non-Member states (among them also the Czech Republic) faced problems with raising sufficient funds for co-financing of their participation in the projects as they were not eligible for drawing money from Structural Funds. This project reflects this experience and addresses persisting lack of necessary funds for co-financing of Czech participation in transnational and interregional projects of Interreg IIIB CADSES/Interreg IIIC programmes.

4. Institutional Framework

The institutional framework for the Grant Scheme implementation comprises the following institutions and bodies:

The National Aid Co-ordinator (NAC) has overall responsibility for programming, co-ordination, monitoring and evaluation of all Phare programmes. The National Fund (NF), in the Ministry of Finance, headed by the National Authorising Officer (NAO), has overall responsibility for financial management of the Phare funds. The NAO shall have full overall accountability for Phare funds allocated to the programme until the closure of the programme.

The project will be implemented under the overall responsibility of the Ministry for Regional Development (MRD), which will be a Contracting Authority (CA). The CA will be responsible for:

- submission of the Grant Dossier including the Operational Guidelines for the Grant Scheme within 4 months of the signature of the Financing Memorandum and submitting it to the DEC for approval;
- publishing, after approval of the Grant Dossier by the DEC, an information to potential successful Czech participants in Interreg IIIB CADSES/Interreg IIIC programmes on the possibility to apply for a Phare grant under this project; including established eligibility criteria and eligible costs
- preparation submission of the Evaluation Report and the final list of grants to be awarded and submitting them to the DEC for approval.

The Implementing Agency (IA), the Centre for Regional Development (CRD), will be responsible for administrative and technical management, monitoring and control of EU assistance to this project. The IA will act under the supervision of the MRD Department of Territorial Planning and Building Proceedings.

The designated Programme Authorising Officer (PAO), nominated by the Minister for Regional Development and appointed by the NAO after consultation with the NAC, is responsible for the operations of the IA. Regular audits by a programme audit team will be carried out under the responsibility of the PAO.

The payments will be done by the Payment Unit of the Ministry for Regional Development.

A National Steering Committee (NSC) is responsible for identification of projects to be co-financed from this Grant Scheme, for identification of eligible costs and establishment of the grant amounts will be established. The members of the NSC will be appointed by the PAO subject to prior approval by the EC Delegation.

A National Monitoring Committee for the project will be established to ensure efficient project management and monitoring. The NMC will be chaired by the MRD and include representatives of key bodies involved in the project implementation, including also the CRD as the IA for the project and the CFA - UCFA as the executive body of the NAC responsible for Phare programmes programming, coordination, monitoring and evaluation.

5. Detailed Budget in M €
Draft 16.06.03

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Phare Support</th>
<th>Total Phare (I+IB)</th>
<th>National Co-financing*</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>Institution</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Grant Scheme</td>
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<td></td>
<td>0.840</td>
<td>3.340</td>
</tr>
<tr>
<td>Total</td>
<td>2.500</td>
<td></td>
<td>0.840</td>
<td>3.340</td>
</tr>
</tbody>
</table>

* National co-financing will be provided from own resources of the beneficiaries. The minimum contribution by the beneficiary (Czech partner participating in an Interreg IIIB CADSES/Interreg IIIC project) will be 25% of the total eligible project costs.

6. **Implementation Arrangements**

6.1 **Implementing Agency**

The responsibility for this project lies with the Ministry for Regional Development as the Contracting Authority and the Centre for Regional Development as the Implementing Agency.

The Ministry for Regional Development:
- **PAO:** Mr. Jirí Horácek, Director of Department of EU Programmes, MRD
- **Address:** Staroměstské nám. 6, 110 15 Praha 1
- **Phone:** + 420-2 2486 1398
- **Fax:** + 420-2 2486 1415
- **Contact persons:** Mr. Igor Hartmann, Director of the Department of Territorial Planning and Building Proceedings, MRD
  - **Phone:** + 420-2 2486 2273
  - **Fax:** + 420-2 5753 1965
  - **E-Mail:** harigo@mmr.cz
- Ms. Alice Hanzlícková, MRD
  - **Phone:** + 420-2 2486 2254
  - **Fax:** + 420-2 5753 1965
  - **E-Mail:** hanali@mmr.cz

The Centre for Regional Development (IA):
- **Contact person:** Mr. Ivo Ryšlavý, Director of CRD
- **Address:** Centre for Regional Development, Vinohradská 46, 120 00 Praha 2
- **Phone:** + 420-2 21 580 285
- **Fax:** + 420-2 21 580 229

6.1 **Non-standard aspects**

For this project Direct Award Procedure will apply (see PRAG 6.2.2).

6.2 **Contracts (in MEUR)**

| Contract (1) | Grant Scheme | 2.5 € |

7. **Implementation Schedule**

- Approval of the Grant Dossier and the Operational Guidelines: 4Q 2003
- Direct Award of Grant contracts: 1Q 2004
- Project completion: 4Q 2005

8. **Equal Opportunity**

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

9. **Environment**

Compliance with the environmental criteria is among the transnational evaluation priorities.
10. Rates of return

NA

11. Investment criteria

NA

12. Conditionality and sequencing

The implementation of the Grant Scheme is conditioned by the successful completion of the following steps:

<table>
<thead>
<tr>
<th>Step</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission and approval of Grant Dossier including Operational Guidelines by the DEC</td>
<td>Within 4 months after the signature of the Financing Memorandum</td>
</tr>
<tr>
<td>Awarding direct grant contracts to final beneficiaries</td>
<td>Immediately after the approval of the DEC has been received</td>
</tr>
<tr>
<td>Completion of projects</td>
<td>3 months before end of disbursement period</td>
</tr>
</tbody>
</table>

ANNEXES TO PROJECT FICHE

1. Logical framework planning matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule
4. Justification of the Project
5. Implementation structures for Interreg IIIB CADSES and Interreg IIIC
Logframe Planning Matrix

<table>
<thead>
<tr>
<th>Project title:</th>
<th>Interreg IIIB CADSES and Interreg IIIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme name and number</td>
<td>CZ2003/005-601.08.08</td>
</tr>
<tr>
<td>Contracting period expires:</td>
<td></td>
</tr>
<tr>
<td>Disbursement period expires:</td>
<td></td>
</tr>
<tr>
<td>Total budget:</td>
<td>3.340MEUR</td>
</tr>
<tr>
<td>Phare budget:</td>
<td>2.500 MEUR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
</table>
| Ability of the CR to take an active part in the transnational and interregional co-operation towards the sustainable and balanced territorial development after accession | • Acknowledgement by the European Commission – relevant programming documents adjusted after the accession  
• Number of Interreg IIIB CADSES/Interreg IIIC projects with Czech partners in leading position | • Programming documents for Interreg IIIB CADSES and Interreg IIIC (CIPs, programme complements, other supporting documents)  
• Interreg programme monitoring reports  
• Interreg programme evaluation reports |

<table>
<thead>
<tr>
<th>Project purpose</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
</table>
| Encourage and increase participation of the Czech partners in Interreg IIIB CADSES and Interreg IIIC | • % of Czech project partners related to total number of partner countries involved in Interreg IIIB CADSES and Interreg IIIC projects  
• Number of Interreg IIIB CADSES programme measures and Interreg IIIC activities effected by the projects with Czech participation  
• Institutions to be involved in administration of Interreg IIIB CADSES and Interreg IIIC on Czech part have clearly defined responsibilities and are fully operational  
• Number of applications of Czech bodies submitted to the Interreg JTSs. | • Interreg IIIB CADSES and Interreg IIIC Programme monitoring reports  
• Interreg IIIB CADSES and Interreg IIIC Programme evaluation reports |

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
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</table>

Assumptions:
- Continued commitment of the Czech Government towards the implementation of SF in accordance with EU policy and procedures, with respect to maximum impact on ESC
- Continued interest of bodies in regions to participate in particular programmes.
• Practical experience gained by increased number of selected Czech bodies with preparation and implementation of Interreg programmes.
• National management structures tested and gained more experience

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Providing co-financing to Czech partners in approved Interreg IIIB CADSES and Interreg IIIC projects. The beneficiaries will be identified under a direct award procedure and will implement activities within their responsibility as specified in respective Interreg IIIB CADSES and Interreg IIIC projects. The activities co-financed will be aimed in particular at:  
  - Promoting spatial development approaches and actions for social and economic cohesion  
  - Creation of efficient and sustainable transport systems and access to the information society  
  - Promotion and management of landscape, natural and cultural heritage  
  - Environment protection, resource management and risk prevention  
  - Exchange of experience on type of activities | A special Grant Scheme for co-financing of participation of Czech bodies in Interreg IIIB CADSES/Interreg IIIC projects which have been approved by relevant Interreg Steering Committees. The Fund will provide grants to Czech partners up to 300,000 EUR Phare contribution.(max. 75% of total project eligible costs). | Czech partners’ co-financing to match the Phare funding available in time  
Other partners implement successfully their parts in those Interreg IIIB CADSES and Interreg IIIC projects where the Czech partner received co-financing under this project  
Effective communication and co-operation among all partners in each transnational and interregional project  
Successful tenders for potential subcontractors and effective co-operation with subcontractors. |

Eligibility criteria:

- project comprises a Czech part of a joint transnational/interregional project already approved for funding from ERDF by Interreg IIIB CADSES/Interreg IIIC Steering Committees under 1st or subsequent Calls for Proposals;  
- beneficiary must be public or non-profit making body;  
- costs eligible for funding according to Phare
- Exchange of experience on interregional co-operation linking public authorities or equivalent bodies involved in other Interreg programmes
- Exchange of experience on interregional co-operation in the field of urban development
- Exchange of experience on interregional co-operation linking regions involved under one or several of the three themes of the regional innovative actions
- Exchange of experience on other subjects appropriate to interregional co-operation

<table>
<thead>
<tr>
<th>Preconditions</th>
</tr>
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<tbody>
<tr>
<td>• Projects with Czech participation approved by the Interreg IIIB CADSES or Interreg IIIC Steering Committees before CR accession available;</td>
</tr>
<tr>
<td>• Grant Dossier including the Operational Guidelines for the Grant Scheme drafted and approved by the DEC.</td>
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ANNEX 2

DETAILED IMPLEMENTATION CHART

Project: Interreg IIIB CADSES and Interreg IIIC

<table>
<thead>
<tr>
<th>YEAR</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<tr>
<td>Grant Dossier including Operational Guidelines preparation</td>
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<tr>
<td>Direct Award of Grant Contracts</td>
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<tr>
<td>Projects Implementation/Disbursement</td>
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</table>

The intention is to start the implementation of the scheme and awarding contracts as soon as possible, after the signature of the FM and approval of the Grant Dossier by the DEC.
**CONTRACTING AND DISBURSEMENT SCHEDULE**

**Cumulative Quarterly Contracting Schedule (mil. €)**

<table>
<thead>
<tr>
<th>Project</th>
<th>1Q/03</th>
<th>2Q/03</th>
<th>3Q/03</th>
<th>4Q/03</th>
<th>1Q/04</th>
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<th>3Q/05</th>
<th>4Q/05</th>
<th>1Q/06</th>
<th>2Q/06</th>
<th>Total</th>
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<td>Interreg IIIB CADSES</td>
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</table>

**Cumulative Quarterly Disbursement Schedule (mil. €)**

<table>
<thead>
<tr>
<th>Project</th>
<th>1Q/03</th>
<th>2Q/03</th>
<th>3Q/03</th>
<th>4Q/03</th>
<th>1Q/04</th>
<th>2Q/04</th>
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ANNEX 4

Justification of the Project

The project was proposed on the basis of the Czech experience with the Interreg IIC in the past and with the current Interreg IIIB CADSES and IIC Community Initiative. Czech partners are involved in a number of project proposals; however, their participation in the projects is endangered by lack of sufficient funding.

The members of the National Committee, which comprises, among others, of the representatives of regional bodies, is well informed about the needs of the project partners from the regions. Therefore the National Committee for Interreg IIIB CADSES together with contact points for Interreg IIIB CADSES and Interreg IIC decided to propose a Grant Scheme project within the National Phare Programme 2003 in order to increase Czech participation in programmes as it was recommended in various documents released by the European Commission (see page 3, 1st para).
ANNEX 5

Implementation Structures for Interreg IIIB CADSES and Interreg IIIC

1) Interreg IIIB CADSES

A transnational Monitoring Committee (MC) supervises the programme. Its overall task is to ensure the quality and effectiveness of implementation and accountability of the programme operations. It is responsible for the strategic adaptation of the Programme and the Programme Complement.

The primary task of the Steering Committee (SC) is to select projects for funding, applying the criteria for project selection agreed by the MC. The SC makes proposals to the MC concerning the strategic adaptation of the Programme and the Programme Complement. This committee includes representatives of non-member states in an observer capacity.

The Member States appointed the Italian Ministry of Infrastructures and Transports - DiCoTer (General Direction responsible for spatial co-ordination) as Managing Authority (MA). The function of the Paying Authority (PA) will be carried out by the Italian Ministry of Infrastructures and Transports - DiCoTer – (General Direction responsible for spatial co-ordination).

The Joint Technical Secretariat (JTC) in Dresden gives technical support to the MC and to the SC as well as to the MA and to the PA. Complexity of the programme and size of the CADSES space give rise to particular organisational arrangements to ensure a successful programme implementation. Therefore, the activities of the JTC shall be complemented by CADSES Contact Points (CCP). Their activities are important for project development and information about the programme within the respective country and support the National Committee in fulfilling its transnational tasks.

A National Committee (NC) was established by the decision of the Minister of the Ministry for Regional Development in order to involve the regional and local authorities as well as the relevant sectoral authorities and institutions and NGOs. The National Committees as integrated part of the transnational programme implementation have advisory and supporting status. They are not entitled to pre-select project applications, as project selection is reserved for the SC, supported by the JTS. The National Committees meet before the meetings of the MC and SC in order to bring in their points of view into the meetings of the MC and SC, including recommendations concerning project proposals. However, as they have an important role in carrying out the proactive approach, e.g. through information, support to project generation and development and to project assessment, close links will be established between the Joint Technical Secretariat and the respective CCPs that will transfer information or documents to the National Committees and vice-versa. The National Committee was set up in the Czech Republic by the Ministry for the Regional Development on 21 June 2002 it is chaired by the MRD deputy-minister for spatial planning, it has 25 members representing all above key actors.

2) Interreg IIIC

Each programme zone has set up its own but similar management structure. It consists of the:

Monitoring Committee (MC) responsible for supervising the implementation of the respective programme. The MC is established by the Member States of the respective programme zone and involves representatives of all participating countries. Its main aim is to ensure the quality and effectiveness of implementation and accountability of the Programme operations.

Steering Committee (SC) responsible for approving the operations to be supported. The SC is also established by the Member States of the respective programme zone and involves representatives of all participating countries as voting members.

Managing Authority (MA) responsible for ensuring efficient and correct management and implementation of the respective programme.

Paying Authority (PA) responsible for drawing up and submitting payment applications for the ERDF funds to the European Commission, receiving payments and paying out subsidies to the operations.

Joint Technical Secretariat (JTS) responsible for the day-to-day management of the Programme. The JTS supports the MA and the PA in implementing their tasks and acts as a contact point for applicants and operation managers during the submission of application and implementation of the operation.