

# **LACE-Phare CBC**

**Draft**

**Assessment Report (CZ/A)**

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### 1. Profile of the cross-border region:

With a total area of 29.038 km<sup>2</sup>, the Czech-Austrian border region is a heterogenous area with its eastern and western parts dominated by urban centres (Ceske Budejovice, Linz, Brno and Vienna) whilst the remaining territory has a largely rural character. The border runs from the Czech/German/Austrian border in the west (Nature Reserve Park Sumava/Böhmerwald) to the Czech/Slovak/Austrian border in the east.

#### 1.1 Definition of the border or cross-border region and Map

*specify administrative units; "cross-border region" if CEC/CEC border or euroregion*

**Definition of the Czech border region:** As defined by the Phare CBC Programme 2000 the Czech border region comprises the NUTS III regions ('kraje') Ceskobudjovický, Jihlavský and Brněnský and covers the South-Bohemian and South-Moravian districts Prachatice, Cesky Krumlov, Ceske Budejovice, Jindrichuv Hradec, Jihlava, Znojmo, Trebic, Brno-City, Brno, Breclav und Hodonina.

**Definition of the Austrian border region:** the Austrian border region comprises the NUTS-III districts Weinviertel, Waldviertel, Wiener Umland Nord, Mühlviertel as well as the cities Vienna and Linz (Interreg III Guidelines, Annex 1).

(Insert map)

#### 1.2 Political / administrative structures

*regional/local authorities, etc*

**Czech Republic:** The Czech Republic's administrative structure includes 8 NUTS-II and 14 NUTS-III regions (Government Resolution No. 707 of October 26<sup>th</sup> 1998) comprising a total of 72 districts (NUTS-IV). The districts are administered by district councils headed by a district officer representing central government. Local government is anchored at the municipality level, and as of 2001 there will be elected governments at the level of the 'kraje' (NUTS-III regions).

**Austria:** Austria's regional government structure comprises 9 'Länder' ((NUTS-II) further subdivided into the NUTS-III districts. Local government is anchored at the municipality level.

### 1.3 Main socio-economic characteristics

*main sectors of economy, unemployment, cross-border commuting, etc*

#### 1.3.1 Population

The total population of the Czech-Austrian border region is 4,5 million with a population density of 155 inhabitants per km<sup>2</sup>. Overall, the border region has suffered of a strong population decrease over the past decades especially in the rural regions. Since the beginning of the 90's there has been a certain stabilisation of the population with a slight increase in all the Czech districts over the 1992 – 1998 period (apart from Brno).

**Table 1: The Czech-Austrian border region: population figures**

<b>Territorial Unit: Austria: NUTS-III region; Czech Republic: NUTS-IV region</b>	<b>Area in km<sup>2</sup></b>	<b>Population 1998</b>	<b>Population/km<sup>2</sup></b>
Prachatice	1.375	51.401	37
Ceske Krumlov	1.615	59.111	37
Ceske Budejovice	1.625	177.878	109
Jindrichuv Hradec	1.943	93.887	48
Jihlava	1.179	109.080	93
Trebic	1.5.19	117.717	77
Znojmo	1.639	114.192	70
Brno-mesto	230	385.866	1.678
Brno-venkov	1.109	157.672	142
Breclav	1.173	124.662	106
Hodonin	1.087	161.700	149
<b>CZECH BORDER REGION TOTAL</b>	<b>14.494</b>	<b>1.553.166</b>	<b>107</b>
Weinviertel	2.391	124.496	52
Waldviertel	4.614	225.865	49
Wiener Umland Nord	2.722	271.922	100
Wien	415	1.606.843	3.871
Mühlviertel	2.659	200.705	75
Linz-Wels	1.743	526.515	302
<b>AUSTRIAN BORDER REGION TOTAL</b>	<b>14.544</b>	<b>2.956.346</b>	<b>203</b>
<b>CZECH-AUSTRIAN BORDER REGION TOTAL</b>	<b>29.038</b>	<b>4.509.512</b>	<b>155</b>

Source: Volkszählungen, ÖSTAT, Český Statistický úrad

#### 1.3.2 Economy

Both the Czech and the Austrian border regions are below the national GDP averages: In the Czech border region, the NUTS-II region Southwest (Southern Bohemia) has a GDP per capita of 95 % of the national average, whereas the figure for Southeast (Southern Moravia) amounts to 89 %. With the exception of the urban areas of Vienna and Linz-Wels the GDP per capita in the Austrian border region is well below the national average (between 54% and 77 % of the Austrian average).

When compared on a EU level, and with the exception of Vienna and Linz, the Austrian border regions have on average higher GDP levels than the Czech border regions (10 points), however, in the case of the Mühlviertel the values are lower than those for Southern Bohemia (see table 2 below).

Due to the limited range of local qualified jobs the entire Czech-Austrian border region is a traditional commuter region with people from Lower Austria commuting to Vienna and from the Mühlviertel to Linz, whilst people from Southern Moravia commute to Brno and from Southern Bohemia to C. Budejovice.

**Table 2: GDP per capita**

Territorial Unit	GDP per capita	Index
Austria: NUTS-III-region; Czech Republic: NUTS-II region	1996 National=100	EU=100
Südböhmen	95,5	63,2
Südmähren	89,6	59,3
<b>CZECH REPUBLIC</b>	<b>100,0</b>	<b>64,6</b>
Weinviertel	61,4	68,9
Waldviertel	76,4	85,8
Wiener Umland Nord	77,8	87,3
Wien	148,5	166,6
Mühlviertel	54,4	61,1
Linz-Wels	122,1	137,0
<b>AUSTRIA</b>	<b>100,0</b>	<b>112,3</b>
EU15	-	100,0

Source: EUROSTAT

Key economic characteristics in the Czech-Austrian border region include:

- An important agricultural sector – Southern Bohemia and Southern Moravia (except the main urban areas and some regional centres including Brno, C. Budejovice, Jihlava, Jindrichuv

Hradec, Hodonín) as well as parts of Weinviertel and Vienna Umland Nord are pre-dominantly rural regions with an important agricultural output. In the Czech border region (except for the districts C. Budejovice and Brno) the sector counts between 8 and 14 % of all employees - compared with a national average of just under 6%. However, the sector suffers from structural weaknesses resulting in high unemployment figures and migration to the region's urban centres.

- A dominance of traditional industries such as building, machine engineering, food processing, textiles, leather and glass concentrated on a few industrial centres. These sectors suffer from structural problems including limited access to national economic centres, underdeveloped supply- and distribution networks, and for the Czech border region, changes related to the restructuring and privatisation process (especially in the industrial centres of Brno and Jihlava) and limited productivity.
- Despite recent improvements (especially in the Czech border region's cities) the service sector is not very developed in the entire border region (in Austria this concerns mainly the Waldviertel and the Mühlviertel with only 47 to 50 % of employees employed in this sector compared with a national average of 65%). Service sectors with strong development potential include tourism (mainly Sumava/Böhmerwald, Krumlov and Weinviertel) and information technology and related services (mainly in the Austrian border region). Brno occupies a special position due to the international importance of Brno Fairs and exhibitions.

In the Czech part of the border region, considerable differences between Southern Bohemia and Southern Moravia can be noted:

Southern Bohemia:     - Strong regional development role of the main cities Ceske Budejovice, Cesky Krumlov, Jindrichuv Hradec;  
                              - Compared with the national level, less sectors with structural problems;  
                              - High productivity levels and relatively well developed SME sector (compared to the national average);  
                              - Dominance of the food and food-processing industries;  
                              - Completed restructuring process and successful development of traditional industries such as breweries.

Southern Moravia:     - Strong economic dominance of the cities Brno and Jihlava;  
                              - Rural areas of Znojmo, Trebic and Breclav count among the areas suffering most from unemployment;  
                              - Restructuring process in the industrial and agricultural sector still to be completed.

### **1.3.3 Employment**

Key employment features in the Czech-Austrian border region include:

- A limited number and range of local qualified job offers forcing the border region's inhabitants to commute to the urban centres Vienna, Linz, Brno and C. Budejovice; Unemployment concerns mainly unqualified workers, workers formerly employed in traditional industries and women.
- Employment growth in the service sector (trade, business and financial services, tourism) with the establishment of new SMEs mainly in the urban centres.
- In the Czech Republic: Between 1993 and 1999, unemployment has been rising strongly in Southern Moravia (especially in rural areas such as Trebíč (6,5% to 12,9%), Znojmo (8,5% to 11,3%) and Breclav (6,5% to 9,3%) mostly due to the collapse of agricultural production and restructuring). Developments are less serious in Southern Bohemia (except for the districts of Český Krumlov and Prachatice) with relatively stable employment figures in the agriculture, and food processing industries. Between 1993 and 1999 the unemployment rate has also been rising in the larger industrial centres Brno (1,5% to 8,2%), Jihlava (4,9% to 8,5%) and C. Budejovice (1,9% to 5,2%) as a result of the restructuring of local traditional industries. Overall, the number of employees has been decreasing by 28,6% in Southern Bohemia and 31,8% in Southern Moravia.
- In Austria: Between 1990 and 1998 the NUTS-III-Regions Mühlviertel, Waldviertel and Weinviertel have profited from employment growth between 4,3 % (Waldviertel) and 13,3 % (Weinviertel). Unemployment figures in the Mühlviertel (5,0 %) and Weinviertel (6,3 %) are below the national average, whereas the Waldviertel with 7,7% has one of the highest unemployment rates in Austria.

**Table 3: Employment situation**

	Employees			
	Total 1998	Changes in % 1990-1997		
Southern Bohemia	237.035	-28,6		
Southern Moravia	668.008	-31,8		
<b>CZECH REPUBLIC</b>	<b>2.916.855</b>	<b>-31,9</b>		
			Changes in %	
			1990-1998	1995-1998
Weinviertel	22.618	13,3	9,4	
Waldviertel	56.733	4,3	1,9	
Wiener Umland	65.382		5,2	
Nord				
Wien	767.598	4,4	6,0	
Mühlviertel	35.949		6,5	

Linz-Wels	295.940		2,1
<b>AUSTRIA</b>	<b>2.916.855</b>	<b>3,6</b>	<b>1,7</b>

Quelle: Hauptverband der österr. Sozialversicherungsträgerm Statisticka Rocenka Cseske Republiky 1996

**Table 5: Unemployment - PHARE CBC-Region**

	Unemployment rate	
	in %	
	1993	1999
Prachatice	3,5	6,8
Cesky Krumlov	4,2	8,0
Ceske Budejovice	1,9	5,2
Jindrichuv Hradec	3,2	5,3
Jihlava	4,9	8,5
Trebic	6,5	12,9
Znojmo	8,5	11,3
Brno-mesto	1,5	8,2
Brno-venkov	3,3	7,3
Breclav	6,5	9,3
Hodonin	5,2	12,9
<b>CZECH REPUBLIK</b>	<b>3,5</b>	<b>9,3</b>

Quelle: Statisticka Rocenka Cseske Republiky 1996.

**Table 6: Unemployment - INTERREG IIIa Region**

	Unemployment rate	
	in %	
	1998	
Weinviertel	6,3	
Waldviertel	7,7	
Wiener Umland Nord	4,6	
Wien	9,7	
Mühlviertel	5,0	
Linz-Wels	4,7	

### 1.3.4 Infrastructure

#### Czech Republic:

- Transport infrastructure in the border region is focused on the axis Prague-Brno-Bratislava, whilst links to Austria require further extensions. The technical quality of transport infrastructure in the border region is in line with national standards, however the capacity of some important road and train links as well as border crossings to Austria require improvements.
- The main road connections within the border region comprise (all leading towards the Austrian border):
  - E 55: Rostock – Berlin – Prague – Linz
  - E49 / E 551: FRG – Rozvadov – Plzen – C. Budejovice – Halámky
  - I/38: FRG – D1 – Jihlava – Znojmo
  - I/55: Prerov – Breclav
  - R52 a I/52: Brno – Mikulov
- Main train lines towards the Czech Republic include:
  - 220 und 226 : Prague – Tábor – Veselí n.L. - C. Budejovice – Linz
  - Prague – Tábor – Veselí n.L. – Vienna
  - Prague – Brno – Breclav – Vienna
  - Bohumín – Breclav - Vienna

#### Austria:

- Well developed infrastructure network focussed on the urban centres Linz and Vienna with less developed infrastructure within the regions.
- The main road connections within the border region comprise (all leading towards the Czech border):
  - B 7 - Brünnerstraße: Vienna - Wolkesdorf - Drasenhofen
  - B 2 - Znaimer Strasse: Vienna - Hollabrunn - Kleinhaugsdorf
  - B 303 - Waldviertler Straße: Vienna - Horn - Neunaglberg
  - B 125 - Prager Bundesstrasse: Linz - Freistadt - Wulowitz
  - B 126 - Leonfeldner Bundesstrasse: Linz - Bad Leonfeld - Weigetschlag
- Main train lines towards the Czech Republic include:
  - Nordbahn: Vienna - Grenzübergang Bernhardthal
  - Verbindung Vienna - Wolkersdorf - Mistelbach - Laa/Taya
  - Nordwestbahn: Vienna - Hollabrunn - Retz
  - Franz-Josefs-Bahn: Vienna - Gmünd
  - Summerauer Bahn: Linz - Pregarten - Summerau

### 1.3.5 Environment

Within the Czech Republic the districts along the border with Austria count among the country's least environmentally polluted areas and feature the important nature reserve Sumava/Bohemian forest at the German/Austrian/Czech border (1.630 km<sup>2</sup>). Environmental problems include the increase in private car traffic in cities; lack of waste recycling; negative effects from strong agricultural use (water and wind erosion; reduced water retention of agricultural lands).

#### 1.4 Degree of cross-border cooperation

*who cooperates? since when? with support from EU programmes?*

Before the political changes in the Czech Republic in late 1989 the Czech-Austrian border region was characterised by its peripheral situation within the two national economies and the complete lack of cross-border links and experience in cross-border co-operation between the two countries. Since the early 1990's, people on both sides of the border region co-operate within the institutional framework of the Euroregions and the support provided by AEBR/LACE. More specifically, substantial support for cross-border co-operation is provided under the Interreg and Phare CBC programmes as described below:

##### **1.4.1 Phare CBC**

The Phare CBC Programme for the Czech-Austrian border region was launched in 1995 and is – with Interreg - the most important source of funding for cross-border projects in the Czech-Austrian border region: the Phare CBC Programme has allocated a total of 42 MEURO to the Czech part of this border region from 1995 to 2000. Phare CBC funding has focused primarily on large-scale infrastructure projects in the transport and environment sectors. More recently, a stronger emphasis was placed to people-to-people actions establishing Small Project Funds and Grant Schemes (e.g. Tourism, SME Development, Social and cultural co-operation etc.) with decentralised selection and implementation systems.

**Table 7: Phare contribution under the Phare CBC Programme 1995-1999**

	1995	1996	1998	1999	Total 95-99	2000
Transport	1,700,000	2,160,095	0	4,000,000	7,860,095	
Environment	3,180,192	3,046,549	1,993,241	3,550,000	11,769,982	
Technical Infrastructure	-	490,000	153,871	-	643,871	
Socio-economic Development	43,965	858,970	3,668,835	880,000	5,451,770	For the year 2000 the Phare CBC contribution amounts to 4 MEURO
Agriculture	74,986	-	2,150,000	-	2,224,986	
Flood Protection	770000	1,310,000	1,000,000	-	3,080,000	
Small Projects Fund	-	580,000	1,873,528	2,120,000	4,573,528	
Technical Assistance	635,708	1,058,420	614,881	50,000	2,359,009	
<b>Total</b>	<b>6,404,851</b>	<b>9,504,034</b>	<b>11,454,356</b>	<b>10,600,000</b>	<b>37,963,241</b>	

Source: Ministry for Regional Development of the Czech Republic

## 1.4.2 Interreg IIa

The Interreg II Community Initiative was established to develop the common border area between Austria and the Czech Republic and to foster bilateral co-operation at regional and local level by establishing co-operation networks. The Interreg IIa Programme for the Czech-Austrian border region was launched in 1995 and is the most important source of funding for projects in the Austrian part of the Czech-Austrian border region: the Interreg IIa Programme has allocated a total of 4,5 MEURO to this border region from 1995 to 1999.

**Table 8: Projects financed under Interreg IIa 1995 - 1999**

Sector	Czech/Austria border region (Austrian part) – Total costs in MEUR	Interreg contribution in MEUR
Infrastructure	846,000	423,000
Economy, tourism and socio-cultural co-operation	8,401,000	2,833,000
Agriculture and forestry	830,000	225,000
Human resources	661,000	331,000
Spatial planning, regional policy and technical assistance	1,376,000	688,000
<b>Total:</b>	<b>12,114,000</b>	<b>4,500,000</b>

Source: European Commission - Inforegio

## 1.5 Barriers to cross-border cooperation

*physical and other barriers (eg mountains, border crossings), language/ethnic problems, centralisation, major socio-economic discrepancies on either side, etc.)*

The main barriers to cross-border cooperation are:

- Lack of institutional structures on the Czech side: To date, only two Euroregions are active along the Czech-Austrian border, i.e. Sumava/Böhmerwald and South Moravia/West Slovakia/Weinviertel (along the Czech/Slovak/Austrian border). Local authorities and other potential applicants as well as regional development agencies on the Czech side provide over little experience in the preparation of joint Interreg/Phare CBC projects. Stronger decentralisation is supported through administrative reforms, however, the Phare CBC programming process on the Czech side remains driven by Central Government. Recently, both the Czech Ministry for Regional Development as well as the Austrian border regions have launched projects to strengthen the Czech institutional structures involved in cross-border co-operation (e.g. Strengthening of Euroregions; Training for Regional Development Agencies).
- The main support programmes for cross-border co-operation, i.e. Interreg IIIa and Phare CBC are still not sufficiently aligned to facilitate the smooth implementation of joint programmes and projects (e.g. multiannual programming for Interreg IIIa versus annual Phare CBC Programming; Phare CBC requirement of a minimum Phare contribution of 2 MEURO with a co-financing requirement of 25% - this represents a substantial amount for regional and local actors making it difficult for them to participate in large-scale projects; for the programming period 2000-2006, there is a danger of imbalance between funding allocations for the Czech and the Austrian sides, i.e. higher amounts allocated to the Austrian side of the border).
- Lack of transport connections/border-crossings: The SWOT analysis prepared for the Interreg IIIa/Phare CBC Joint Programming Document revealed a lack of sufficient border crossings, and future projects will aim to extend the network of small crossing points with a view to avoiding lengthy detours, long waiting times and enable direct crossings between neighbouring municipalities across the border.
- Cultural differences and to some extent reservations concerning the EU enlargement process: These include mainly the lack of knowledge of each other's language and fears with regard to the consequences of the Czech Republic's accession to the European Union (e.g. impact on the Austrian labour market and foreign direct investment; job losses in the Czech Republic due to further structural reforms and EU competition). On the Czech side there are some popular fears with regard to the restitution of property rights.

## 2. Structures:

### 2.1 Cross-border structures

*describe structure: eg, political assembly, secretariat, working groups, etc*  
*describe financial, personnel, etc resources*

Two Euroregions are active along the Czech-Austrian border:

- South Moravia/West Slovakia/Weinviertel (Trilateral border between the Czech Republic, Austria and Slovakia)
- Sumava/Böhmer Wald (Southern Bohemia and Bavaria)

## 2.2 Activities / services:

- promotion of cross-border cooperation  
*eg, brochures/leaflets/newsletters, media relations, workshops/seminars; networking*

The Association of European Border Regions (AEBR) has been active for ten years in the border region, and has promoted networking and the exchange of good practice through the pilot LACE-Phare project (Linkage Assistance and Cooperation for European Border Regions) which was supported by the European Commission in 1996-1997. AEBR organised regional workshops in Brno and Jindrichuv Hradec and established working groups (i.e. in Southern Moravia-Lower Austria and Southern Bohemia-Upper Austria) to support the establishment of cross-border co-operation structures and prepare a cross-border strategy. Moreover, AEBR organised three corresponding workshops on the Austrian side. In this context the LACE Practical Guide on cross-border cooperation was published in the Czech language and an Issues Paper was produced concerning the border regions on the CZ/A border. Support activities also included the provision of advice through regional experts with regard to the development and implementation of cross-border strategies, programmes and projects and the establishment of regional/local level cross-border structures.

Moreover, the establishment of Small Project Funds in the Czech-Austrian border region in 1995/1996 has contributed considerably to the promotion of cross-border activities and the involvement of local actors..

## 2.3 Awareness of cross-border cooperation issues / knowledge of CBC programmes

*including: Interreg, Phare CBC, CREDO, pre-accession instruments, Str. Funds*

Regional and local actors are aware of the Interreg and Phare CBC Programmes as witnessed by the numbers of project proposals for large-scale as well as SPF (Small Projects Fund/Dispositionsfond) projects, however practical knowledge of programme and project development and management needs to be improved. Moreover, regional and local actors have been sensitised to cross-border co-operation issues as well as other EU programmes through their involvement in the programming process for Interreg IIIa/Phare CBC 2000-2006 and the establishment of operational programmes for regional development.

Projects financed to date have sometimes failed to demonstrate a direct cross-border impact, however, the further alignment with Interreg under the new guidelines (requirement for joint projects) and limited amount of funding available (only well prepared projects with partners on the other side of the border will be selected) should ensure that future projects will have a more genuine cross-border impact.

## **3. Programme related Activities:**

### 3.1 Strategy development

*data collection; surveys; studies; SWOT analysis; consultations; strategy/concept formulation, etc*

Comprehensive regional analyses including a common SWOT analysis for the Czech-Austrian border region have been prepared in the context of the current Programming of Interreg IIIa and Phare CBC for the period 2000-2006 (Preparation of a Joint Programming Document - JPD). Further studies and strategies have been prepared for the Pilot Regional Operational Programmes in the Czech Republic. Regional and local actors on both sides of the border have been involved in this process in a series of regional seminars and through project questionnaires.

### 3.2 Programming, especially Phare-CBC / Interreg related:

*priority setting and definition of objectives; drafting of programme; financial programming; programme negotiation*

The Joint Programming Document for the Czech/Austrian border region will be finalised by May 2000 – with regard to Phare CBC in the year 2000 – the programme including project fiches will be submitted to the European Commission by the 15<sup>th</sup> of May 2000. In the Czech/Austrian border region the programming process has been strongly marked by the reduction of Phare CBC funding for the period 2000-2002 (on average 4 MEURO per year). With this background there have been discussions to focus the programme in the period 2000-2002 on preparing the border region for EU accession with a trend towards more ‘soft’ and ‘joint’ projects (i.e. involving an Interreg IIIa funded component), e.g. grant schemes for SME development, and less emphasis on infrastructure projects (which can be supported under the ISPA Programme).

### 3.3 Management of programme implementation

- Small Project Funds:

*secretariat, project selection, monitoring, financial management*

The Phare CBC Small Projects Fund (SPF) in the Czech border region is managed on a decentralised level by regional development agencies and other local organisations. Regional Steering and Selection Committees are entrusted with the entire process of selecting and monitoring projects.

Three Small Project Funds with decentralised implementation structures (i.e. Regional Steering Committees and Secretariats) have been established in the Czech border regions of Cesky Krumlov (Sumava), Ceske Budejovice and Southern Moravia. Projects are implemented within the eligible Czech border regions and involve partners from the Austrian border region. For the period 2000-2006 a joint Czech/Austrian Small Projects Fund is envisaged, however the arrangements for joint implementation and selection structures have yet to be finalised.

**Table 8: Phare CBC Allocations to the Regional Small Projects Fund 1996 - 1998**

<b>Management Agency (SPF Secretariat)</b>	<b>1996</b>	<b>1998</b>
Regional Development Agency Brno	448,786	1,175,000
Ceske Budejovice Municipal Council	28,201	338,528

- other aspects of programme management

*eg, participation in Joint Coordination Committee, information provision to project proposers*

For the programming period 2000-2006 a 'Interreg/Phare-CBC-Monitoring Committee' will be established to oversee the programming and implementation of the Interreg IIIa and Phare CBC Programmes. The Committee's responsibilities and structures will be based on the presently operating Joint Co-operation Committee (JCC), however, the specific implementation arrangements, e.g. role of the Steering Committees and other joint Interreg/Phare CBC structures as well as the role of regional and local actors remain to be finalised. At present, the JCC involves regional representatives from the Austrian Länder, Euroregions and other regional actors, however, with regard to Phare CBC the regional actors' role is limited to the proposal and discussion of projects, whilst the final decision on the selection remains with the Ministry for Regional Development.

### 3.4 Project development and implementation

*project definition; proposal preparation; partnership agreement; financial aspects of project management; contracting/procurement issues; reporting issues*

In the context of Interreg IIIa/Phare CBC, projects will be developed by regional/local authorities; NGOs; business support organisations such as chambers of commerce and regional development agencies; as well as educational and cultural institutions. The establishment of a Small Projects Fund with its decentralised project selection and implementation structures has contributed to widen the range of applicants. On the Czech side the projects' implementation follows the requirements of the Phare Programme as specified in the DIS Manual, whereas projects on the Austrian side are managed in line with Interreg III regulations.

## **4. Specific / Sectoral Actions (1 Page):**

*(Describe briefly the main projects which have been implemented or are substantially developed; specify the promoter/manager/partners and source/amount of financial support; explain the cross-border nature of the project; if many projects available, annex full lists of projects with partners from both sides of the border)*

### 4.1 Phare CBC

#### 4.1.1 Economic Development (SMEs, rural development, etc)

Important projects include the SME support fund which co-finances a ‘Small Loans Scheme’ and provide counselling, consulting services and training with a view to stimulating entrepreneurship in the Czech border region (in 1998-1999 Phare CBC contribution of MEUR 2,07 and total budget 3,67 MEUR). In the sphere of rural development a Grant Scheme was established on the basis of the Czech Programme for the Renewal of Rural Areas to support small-scale infrastructure projects (Phare CBC contribution of MEUR 1,5 and total budget of 3,06 MEUR in 1998).

#### 4.1.2 Tourism

The main tourism projects along the Czech-Austrian border region focus on the establishment and rehabilitation of bicycle trails (e.g. in Lipno, Ceske Budejovice, Jindrichuv Hradec and Brno-Vienna; with a Phare CBC contribution of 3,5 MEUR / total budget 4,34 MEUR between 1995 and 1998) and tourism information centres as well as recreational facilities (e.g. in Palava and Predni; Phare CBC contribution of 0,9 MEUR / total budget 1,443 between 1996 to 1998). Further tourism projects are realised in the framework of the Small Projects Fund, e.g. the SPF 1999 includes a total allocation of 0,24 MEUR for tourism projects.

#### 4.1.3 Training, Education and Labour Market

To date, projects in this sector are realised under the Small Projects Fund with some exceptions of more comprehensive projects such as the European School in Vienna/Brno (Phare allocation of 0,129 MEUR / 0,248 MEUR total budget in 1996)

#### 4.1.4 Environment

In the programming period 1995-1999, this has been one of the target areas for the Phare CBC Programme along the Czech-Austrian border region. Projects in this sector focus mainly on the establishment, rehabilitation and enlargement of wastewater treatment and sewerage plants:

**Table 8: Environment projects financed under Phare CBC 1995-1999**

Year	Target Area	Phare CBC Contribution in MEUR	Total Budget in MEUR
1995	Znojmo, Vratenin, Hlohovec, Lanzot	3,1	6,9
1996	Telc, Pisečne, Frymburk, Dyjakovický, Breclav	3,1	4
1998	Dacice, Stary a nový Podvorov, Kostice	1,9	2,5
1999	Třebíč	3,5	5,9

Source: Ministry for Regional Development of the Czech Republic

#### 4.1.5 Socio-cultural

This is the main target sector for the Small Project Fund, which has supported people-to-people projects with a Phare CBC allocation of 4,573 MEUR / total budget 5,459 MEUR (1996-99) – almost 50% of these funds were allocated to cross-border cultural exchanges.

#### 4.1.6 Transport (infrastructure, public transport, etc)

The transport infrastructure sector is the second most important sphere for the Phare CBC Programme with projects focussing on the establishment, rehabilitation and extension of road and railway networks:

**Table 9: Transport projects financed under Phare CBC 1995-1999**

Year	Target Area	Phare CBC Contribution in MEUR	Total Budget in MEUR
1995	Lipno	1,7	1,838
1996	Ceske Velenice	2,16	2,746
1999	Prachatice-Chvalsynym Breclav	4	5,59

Source: Ministry for Regional Development of the Czech Republic

#### 4.1.7 Other infrastructures

Further infrastructure projects include community heating systems (e.g. in Nova Pec 1996: 0,49 MEUR Phare CBC contribution / 1,39 MEUR total budget )

#### 4.1.8 Other (*specify, eg research, innovation, technology transfer*)

Projects are mainly realised within the framework of the Small Project Fund with some exceptions, e.g. the Brno Centre for technology transfer (Phare CBC contribution of MEUR 0,11 in 1998)

### 4.2 Interreg IIa

Interreg IIa has supported inter-regional co-operation projects on the Czech-Austrian border with a total budget of 4,5 MEURO (total project costs: 12 MEURO). The programme for 1995 to 1999 included the following priorities:

- Improvement of infrastructure;
- Economic co-operation, tourism and socio-cultural co-operation;
- Agriculture and forestry;
- Human resources;
- Spatial planning, regional policy and technical assistance

## **Action Plan (CZ/A)**

*(To accompany the assessment report. 1-2 Pages. Indicative contents below.*

*Important: attach annex with list of regional/local practitioners, with full addresses etc)*

### **Actions Specific to the Region (2 Pages):**

*(“cross-border region” if CEC/CEC border; “border region” otherwise, but co-ordinated with LACE-TAP activities if CEC/EU border)*

#### **1. Training workshop**

*define priority topics by reference to sections 2, 3 and 4 of the Assessment Report, main participants, etc*

#### **2. Counselling / advice**

*define priority topics by reference to sections 2, 3 and 4 of the Assessment Report, main recipients of support, etc*

#### **3. Study visits**

*where to visit / why*

#### **4. Other support required**

*distinguish whether within the scope of LACE-Phare CBC or otherwise*

#### **5. Annex - list of regional/local practitioners**

*for LACE-Phare CBC mailing list and as a basis for invitations to regional workshops, counselling/advice sessions, international seminars, etc*

### **Feedback for “horizontal” activities of LACE-Phare CBC:**

International seminars, Publications,      Networking, etc