



“EVALUATION OF INTEGRATED OPERATIONAL PROGRAM IMPLEMENTATION SYSTEM ”

FINAL EVALUATION REPORT

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Identification No. 25492781
VAT No.: CZ 25492781

Date: October 2009

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Abbreviations

AbCap	Absorption Capacity of a program
AC	Administrative control
ACoP	Annual Communication Action Plan
AM	Applicant Manual
B CRD	Regional CRD branches
CAC	Communal Administration Control
CORP	Common Operational Regional Program
CoP	Communication action plan
CRD CR	Centre for regional development of the Czech Republic
D/DE/L	Decision on the provision of a subsidy/Cost determination of financing projects run by OES/Letter by the Local Development Minister
DB	Department of Budget
DFM	Department of CRD financial management
DHS MLD	Department of housing subsidies of the Ministry of local development (MLD)
DMSFCC	Department of management of Target1 and Target 2 of Structural funds of CRD
DMOP	Department of Management of Operational Programs
DSF	Department of MH Structural Funds
EC	European Commission
ED	Economy department
EF	European Funds Department of the Ministry of Health (MH)
EF/1	Methodology department of MH
EF/2	Project management department of MH
EF/3	Project financing department
EF/4	Department of monitoring, control and technical support of MH
EFD	European Funds Department
EP	Education Plan/Program
FU	Financial unit of MH
HD	Head of Department
HM	Health Ministry
HQ CRD	CRD Headquarters
IA	Intervention area
IACD	Internal audit and control department
IASD	Internal audit and supervision department
IB	Intermediary body
IB 22	Department of social services and social incorporation
IB 45	Department of ESF program implementation
IB 62	Department of economy
IB GG MH	Intermediary body of the global subsidy of the Ministry of health
IB IM	Intermediary body of the Interior ministry
IB MC	Intermediary body of the Ministry of Culture
IB MLSA	Intermediary body of the Ministry of Labor and Social Affairs

ICT	Information and communication technology
IDFM	Independent department for financial management
IDPM	Independent department for project management
ILD	Independent Legal Department
IMD	Independent methodology department
IMDP	Integrated municipal development program
IOP MA	IOP Managing Authority
IS	Information system
IsM	Implementation system
MARFA	Manual for applicants requesting funding assistance
MI-18	Methodological instruction CRD CR No. 18 - "EU Programs - Integrated operating
MIP	Manual of internal procedures
MV	Monitoring visit
NOC	National Organ for Coordination
NSRF	National Strategic Reference Framework
OES	Organizational elements of the state
OM GG MH	Operations manual of MH Global Grant
OM IOP	Operations manual of Integrated operating program
OPMD	Operating programs management department
PC	Physical control
PCA	Paying and certification authority
PM/FM	Project/financial manager
PWP MLSA	Manual of work procedures of the Ministry of labor and social affairs (MLSA)
RS	Registration sheet
RW MLD	Independent department of MLD worksites, set apart from Section of policy strategy and coordination (SWGc)
SC	Selection criteria
SDSB	Senior Director of Section B
SM	Section manager
TA	Technical assistance
WPM	Work procedure manual(s)

List of used sources

1. Integrated Operational Program for the period of 2007 - 2013
2. IOP realization document for the period of 2007 - 2013 as at 29 June 2009
3. Operating IOP manual including annexes as at 20 July 2009, (Version 1.2)
4. Manual of internal procedures of Intermediary Body IM (Version 1.3)
5. Methodological instruction No. 18 (Version 1.4 as at 22 October 2009)
6. HQ Instructions No. 1 - 16
7. Operations manual of Intermediary Body (IB MC - note) (Version 1.1)
8. Operations manual of Intermediary Body of HM global subsidy (Version 1.2 as at 26 November 2009)
9. MLSA manual of work procedures (Version 1.1)
10. Manual for IMDP submitter as at 12 November 2008,
11. Manual for applicants and beneficiaries for intervention area 5.2, including annexes, as at 7 August 2009
12. Manual for applicants and beneficiaries for intervention area 5.3a, including annexes, as at 10 April 2008
13. Manual for applicants and beneficiaries for intervention area 5.3b, including annexes, as at 30 January 2009
14. Manual for applicants and beneficiaries for intervention area 4.1(a) and (b), incl. annexes, as at 10 April 2009
15. Manual for applicants and beneficiaries for intervention area 4.1d, including annexes, as at 10 April 2009
16. Texts of notices for intervention area 5.2 (IMDP and partial projects), 5.3a and 5.3b, 4.1a, 4.1b, 4.1d
17. Manual for applicants and beneficiaries for intervention area 3.1a, including annexes, as at 13 July 2009
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20. Manual for applicants and beneficiaries for intervention area 3.3a, b, incl. annexes, as at 11 November 2009
21. Manual for applicants and beneficiaries for intervention area 3.3c, including annexes, as at 11 November 2009
22. Manual for applicants and beneficiaries 4. notice, Version 1.1, effective as of 13 January 2010
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26. Ongoing report on Integrated Operational Program as at 31 August 2009
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31. Survey of education of IOP MA , CORP, JP2 in 1H of 2009 in figures
32. Survey of education of IOP MA , CORP, JP2 for Year 2008 in figures
33. Conclusions and recommendations of 4th IOP Monitoring Committee Meeting
34. EF Education system
35. EF Education plan – 1H and 2H of 2009

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38. Memo – fulfillment of “Education“ plan for 2008
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40. Report on safeguarding administrative capacities pursuant to government Resolution No. 818/2007 within the period of 1 January – 31 December 2009 (draft version)
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42. Organizational structures of IB and a survey of staff participating in IOP realization.
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44. Partial analysis of IB risks (01-06 2009)
45. Communication plan of Integrated Operational Program
46. Annual communication plan of Intermediary Bodies 2008
47. Annual communication plan of Intermediary Bodies 2009
48. Annual communication plan of Integrated Operational Program2008
49. Annual communication plan of Integrated Operational Program2009
50. Evaluation of communication plan of CRD in IOP for year 2008
51. Monthly report on the activities of IB HM in IOP (period of 06 - 12 2009)
52. Monthly report on the activities of IB MLSA in IOP (period of 08 -12 2009)
53. Monthly report on the activities of IB CRD in IOP (period of 07-10 2009)
54. Statute a rules of procedure of MLSA tender commission
55. Web sites www.structurelni-fondy.cz
56. Web sites www.IMcr.cz
57. Web sites www.crr.cz
58. Web sites www.mzd.cz
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60. Web sites www.kultura-evropa.eu
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62. Rules of procedure of IB IM CR financial section
63. *IS MONIT7+* outputs

Team composition:

Team members	Position	Key responsibilities
RNDr. Jan Srb	Project manager	Team management, evaluation methodology
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1 Summary

The aim of the present evaluation is to provide a comprehensive analysis of the Integrated Operational Program (hereinafter only: "ImS IOP") and an assessment of effectiveness of its performance in course of the realization thereof. An integral part of the evaluation is an identification of weak spots/risks within the system as well as recommendation proposals contributing to elimination or – in the least – a reduction thereof.

The backbone of the evaluation comprises a set of 13 evaluation queries covering 7 evaluation areas. These are as follows:

1. ImS IOP Program documentation
2. ImS IOP set-up and performance
3. Management, methodology support a communication within ImS IOP
4. Methodology support and communication in relation to applicants and beneficiaries
5. Human resources
6. Administrative procedures
7. Information systems

In pursuance of the evaluation, three major instruments/techniques were used as a way of gaining information and data, and of evaluation thereof:

- a) Program documentation analysis
- b) Directed interviews with selected representatives of MA and IB
- c) questionnaire survey of applicants/beneficiaries¹

The synthesis of findings gained from the analytical part is summed up in responses to respective evaluation queries, and displayed on a point scale. Based on the synthesis performed, identified and described are weak spots/problems occurring in the implementation system, replenished by the evaluator's recommendation proposals.

As a result of analyses and inquiries performed, the evaluator considers the implementation system of the said program as overall functional, though susceptible to processual ineffectiveness and risks that primarily ensue from the slippery structure of the system as a whole, and of the engagement of 5 Intermediary Bodies (IB) with different roles within the program implementation. Identified – by the evaluator – as weak spots in the program were:

1. The quality of program documentation – the IOP program documentation package fails to constitute a compact and intrinsically linked system, respective documents differ in structure, use a different approach in describing respective implementation processes, and are hammered out in varying quality and degree of particularity.
2. The instruments of the MA intended to ensure observance of activities delegated to Intermediary Body (hereinafter only: "IB") activities – one of the gravest problems of a systems character that affects the effectiveness of functioning of the entire implementation system. At the moment, MA does not dispose of adequate instruments for effective enforcement of obligations delegated -within the framework of program implementation - upon IB.

¹ *Translator's note: The term "recipient" is interchangeable within the said context*

3. Human resources and the education system – generally felt within the system is lack of capacities; that can nevertheless be impacted by the experiences of officials gained with Structural Funds (hereinafter: “SF”), and their qualifications for the discharge of their office. These problems are moreover exacerbated by the ineffective system of education, i.e. absence of a common IOP educational plan.
4. Coordination and the pursuit of evaluation activities, insufficient cohesion of absorptive capacity management with program evaluation and monitoring – identified during the evaluation process was an unclear specification of competencies between MA and IBs. Even though IOP MA is guarantor of the pursuit of program evaluations, IBs dispose of technical assistance (hereinafter: “TA”) funds to perform their own evaluations. The pursuit of evaluations by respective bodies, and the utilization of the conclusions thereof in practice, lack coordination; as a result, the approach to program evaluation is ineffective, as is the exploitation of TA finances. Further, identified was insufficient cohesion of the mutually related processes of monitoring, management of absorptive capacity, and evaluation, namely both in written procedures and during practical realization.
5. Regular short-term monitoring of respective IB intervention areas and activities – in terms of monitoring, insufficient was found the set-up of mechanisms for the pursuit of regular short-term monitoring on the level of intervention areas, providing for a timely identification of risks. Deficiencies are identified in poor coordination of bodies² (MA, IB) in data monitoring and evaluation on the level of individual areas of intervention, and in unclear delineation of roles between MA and IB within the given domain. At the same time, evaluated as ineffective was the current form of regular monitoring of IB activity by MA .
6. Communication instruments – though communication and information transfer within the system go relatively well, and respective communication instruments are used effectively, felt as a nuisance is an absence of a uniform communications platform which - in the upshot – causes a drop in the effectiveness of communication across the system.

Apart from weak spots or rather problem areas mentioned above, identified were moreover some other problems of partial character. On the whole, 20 problems were defined by the evaluator, each being evaluated in terms of weight (of the risk), possible solution, and relevance relative to respective bodies of the implementation structure.

For each problem, a Problem Card was put in place, with a brief description of the problem, and a proposed recommendation aimed at a reduction or elimination of risks related to the problem and jeopardizing the smooth run of the implementation system.

Owing to the status of program realization, the legislative framework and other restrictions, key recommendations are aimed at tackling problems in the following areas (entailing particularly recommendations related to systems problems, the solution of which is relatively easier manageable in terms of time and costs, not being obstructed by regulatory and other conditions):

1. Improving the effectiveness and realization of evaluation activities (incl. cohesion thereof with absorptive capacity management).
2. Improving the effectiveness of the system of short-term regular monitoring of the program realization and of IB activities.
3. Making the education system more effective.
4. Putting in place a common communications platform.

² *Translator’s note: within the said context, the terms “subject“ and “body“ are interchangeable*

2 Introduction

The evaluation of the implementation system of IOP was carried out as part of evaluation activities conducted by IOP Managing Authority. The requirement of evaluation was identified on the basis of IOP MA's own findings, and was in compliance with the schedule of evaluation activities. It's a case of an evaluation conducted in the course of program realization, i.e. it is an evaluation operational in character (operational evaluation).

The evaluation aims to comprehensively assess ImS IOP, and to assess the effectiveness of system functioning pending program realization. Part of the evaluation invariably is an identification of the system's weak spots/risks and proposed recommendations for how to eliminate or at least reduce the identified risks. It should be noted here that – within the context of other CR 2007-13 operational programs – ImS IOP has a relatively complicated structure with altogether five Intermediary Bodies (hereinafter only: "IBs") responsible for the selected implementation processes in intervention areas concerned. A survey of IBs, including their mode of engagement within the program at the level of an intervention area, is shown in the following table:

Table 1 - A survey of IBs and engagement thereof in IOP realization on intervention areas level

IA	Name	IM	MZ	MLSA OES	MC	CRD
1.1.	Development of information society in public administrative (A+B)					
2.1.	Implementation of ICT in territorial and public administrative					
3.1.	Services in the area of social integration					
3.2.	Services in the area of public health					
3.3.	Services in the area of employment					
3.4.	Services in the area of safety, prevention and tackling risks					
4.1.	National support of tourism (A+B)					
5.1.	National support of utilization of cultural heritage					
5.2.	Environment improvement in problem estates					
5.3.	Revamp and development of territorial policy systems					

The backbone of the evaluation entails a set of altogether 13 evaluation queries, covering 7 evaluation areas (see Table 2). Apart from comprehensively conceived areas of evaluation (i.e. quality of program documentation, system effectiveness) special attention was devoted to communication and to information transfer across the system, and to project administration, human resources, and information systems.

3 Methodology

The choice of methodology and of applied techniques/evaluation instruments (i.e. the evaluation design) was proposed relative to the set out evaluation targets, and the formulation of evaluation queries. Upon the preparation of assignment terms and of the evaluation's opening phase, hammered out were 13 evaluation queries, broken down by the evaluator into 7 areas of evaluation. According to their orientation, respective queries may be broken down to comprehensive queries (assessing the system as an entity) and partial-type queries (aimed at the evaluation of selected elements of the system). A list of queries plus a further breakdown thereof as per respective evaluation areas is illustrated in Table 2 below:

Table 2 - List of evaluation queries

Evaluation area	Evaluation query
IB program documentation	1. Is the system of program documentation/operations manuals of IOP properly structured, clearly arranged and easy to understand to for the users (i.e. MA and IB officials)?
	2. Is there – in OM IOP and WPM IB – in place a standard mode of description of implementation processes ?
IB set-up and operation	3. Is the implementation system fully functional a sufficiently effective?
	4. Is the set-up of IOP implementation structure optimal in relation to orientation thereof?
Management, methodology support and communication within IB (MA-Intermediary body)	5. Does the Managing Authority dispose – when in contact with Intermediary Bodies – of adequate instruments ensuring the observance of their obligations?
	6. Does communication and information conveyance between the Managing Authority and Intermediary Bodies work with sufficient quality and effectively?
	7. Is the management and methodology support provided by the Managing Authority to Intermediary Bodies sufficient?
Methodology support and communication in relation to applicants/beneficiaries	8. Do the Managing Authority and intermediary bodies – when in contact with beneficiaries – dispose of adequate/sufficient instruments safeguarding the observance of their obligations?
	9. Do the Managing Authority and intermediary bodies provide applicants/beneficiaries with sufficient methodology support during the entire life cycle of the project?
Human resources	10. Does the Managing Authority and Intermediary Bodies dispose of a sufficient number of qualified members of staff in relation to commitments and obligations ensuing from IOP implementation?
	11. Is the set system of MA and IB IOP staff education adequate and sufficient?
Administrative procedures	12. Is the set-up of administration procedures in respective support areas adequate in relation to the character of support and type of applicants/beneficiaries?
Information system	13. Do information systems (IS BENEFIT 7, MONIT7+, MSC2007, IB DIB, accounting IS) allow the MA and IB IOP to fulfill their obligations?

The evaluation of the implementation system and of its respective elements was – owing to the varied type of queries (comprehensive vs. partial), and the specifics of the IOP implementation system (engagement of multiple IBs, specifics of respective intervention areas, and suchlike) – conducted on different levels in relation to the respective ImS IOP bodies. To obtain answers to the respective queries, 3 evaluation methods were applied by the evaluator:

1. Evaluation on the level of the entire program (comprehensive-type queries)
2. Evaluation on the level of IOP MA a IBs (queries of partial type aimed at the evaluation of elements/processes of the implementation system, that are specific on the level of IOP MA and of the respective IBs)
3. Evaluation on the level of relevant areas of intervention (queries of partial type concerning evaluation of elements/processes of the implementation system that are specific on the level of relevant areas of intervention).

Table 3 - Evaluation methods proposed

Evaluation area	Query No.	Query	Guarantor		
			Program	IOP MA a IB	IA
Program documentation IB	1	Is the system of program documentation/of IOP operations manuals well structured, clearly arranged, and easy to understand for the users (i.e. IOP MA and IB officials)?			
	2	Is there a standard mode of implementation processes description used in OM IOP?			
Set-up a operation IB	3	Is the implementation system fully functional a sufficiently effective?			
	4	Is the set-up of IOP implementation structure IOP optimal in terms of the orientation thereof?			
Management, methodology support a communication within the framework of IB (IOP MA -IB)	5	Does the Managing Authority dispose of adequate instruments for ensuring the observation of their obligations?			
	6	Do communication and information transfers work smoothly enough and effectively between the Managing Authority and Intermediary Bodies?			
	7	Is the methodology support provided by the Managing Authority to Intermediary Bodies sufficient?			
Methodology support a communication in relation to applicants/beneficiaries	8	Do the Managing Authority and Intermediary Bodies dispose of sufficient instruments for safeguarding the observance of obligations thereof?			
	9	Do the Managing Authority and Intermediary Bodies provide applicants/beneficiaries with sufficient methodology support during of the entire life cycle of the project?			
Human resources	10	Do the Managing Authority and Intermediary Bodies dispose with a sufficient number of qualified staff in terms of the commitments and obligations ensuing from			
	11	Is the set system of education of IOP MA and IB IOP members of staff adequate and sufficient?			
Administration procedures	12	Is the set-up of administration procedures in the respective areas of support adequate in relation to the character support and type of applicants/beneficiaries?			
Information systems	13	Do <i>IS BENEFIT7</i> , <i>MONIT7+</i> , <i>MSC2007</i> , <i>IB DIB</i> , and <i>accounting IS</i> information systems make it possible for IOP MA and IB IOP to fulfill their obligations?			

Pending evaluation, to gain information and data, and to be able to evaluate those, used were 3 major instruments/techniques. (The use thereof incl. a more detailed description is – within the context of particular queries – listed in Chapter 4):

- a) Program documentation analysis
- b) Directed interviews with selected representatives of IOP MA and IBs
- c) Questionnaire survey of applicants/beneficiaries

The synthesis of key findings is carried out in two ways: (i) Through responses to respective evaluation queries (see Table 18), and (ii) quantity-evaluation of each of the queries on a 1-5 scale (1 – definitely yes; 2 – yes; 3 – rather yes; 4 – not likely; 5 - no). Evaluations 1 and 2 indicate that the system runs – in evaluator’s view – smoothly or just with minor problems. Conversely, 3- and 4-scale responses indicate gravier problems likely to epitomize major risks for the run of the entire system, or of parts thereof.

Based on the synthesis performed, identified and described were weak spots/problems spoiling the implementation system; those are responded to – by the evaluator – through his proposed recommendations (see Chapter 6).

4 Evaluation of IOP implementation system

I. IOP Program documentation

Query No. 1 (Evaluation level - system): Is the system of IOP program documentation/operations manuals well structured, clearly arranged and easy to understand for the user, i.e. MA and IBs officials?

Introduction:

Compliant with Council Directive (EC) No. 1083/2006 and with Cash Flow and Control Methodology issued by the Ministry of Finance of CR, bodies engaged in implementation of operational programs co-financed from SF EU are obliged to draw up a written manual of work procedures. These, then, serve for the verification of smooth functioning of the management and control system, and of observance of CR and EC regulations. At the same time, manuals are used for management and realization of respective work procedures carried out by officials of respective bodies of the implementation structure.

The core document stipulating obligations of the bodies of IOP implementation structure, and comprising procedures for the IOP Managing Authority (IOP MA) and for Intermediary Bodies (IBs) is the Operations manual of the Integrated Operational Program (OM IOP). The OM IOP document is binding for all bodies engaged in IOP implementation. In it, procedures necessary for the pursuit of IOP MA activities are gathered; moreover, the OM IOP features minimum requirements on safeguarding MA and IB activities.

Key documents describing procedures of IBs in areas delegated - by MA - are work procedure manuals (WPM). Each IB has its own WPM elaborated. Primarily, WPMs primarily build on OM IOP.

In case that a concrete implementation-related step needs to be tackled on a prompt basis, both MA and IBs issue methodology instructions; these are subsequently incorporated in further issues or reviews of OM IOP and WPM IB.

The Table below provides a list of WPM of individual IBs, issued as per respective intervention areas:

Table 4: Work procedure manuals of IOP Intermediary Bodies

Intermediary body	Name of WPM	Intervention area												
		1.1	2.1	3.1	3.2	3.3	3.4	4.1	5.1	5.2	5.3	6.1	6.2	
IB CRD	Methodology instruction No. 18		x	x			x	x	x		x	x	x	x
IB MK	Operational manual of intermediary subject									x				
IB MLSA	Manual of work procedures for intervention areas 3.1 and 3.3 IOP of MLSA Intermediary Body			x		x								
IB IM	Manual of internal procedures of Intermediary Body	x	x					x						
IB HM	Operational manual of Intermediary Body of global subsidy of the Ministry of Health				x									

As part of the program documentation analysis (OM IOP and WPM IB), the evaluator checked whether:

- a) Ensured is cohesion of OM IOP and WPM IB, and cohesion of WPM IB in case of intervention areas into the implementation of which engaged are more IBs;
- b) OM IOP and WPM IB are easily readable and comprehensive for users;
- c) ensured is the recallingness of the development of changes in OM IOP and WPM IB.

Major Evaluator's findings were made based upon the analysis of OM IOP and WPM of respective IBs – using the Method of desk research and the Method of directed interview with IOP MA officials, and relevant IBs.

Major findings:

- In pursuit of ensuring **cohesion between OM IOP and WPM IB**, two approaches are applied: 1. IB has incorporated in its WPM procedures in all implementation areas in which – according to OM IOP – obligations ensue therefore (i.e. as part of procedure descriptions, minimum references are made to procedures in OM IOP; the pre-requisite however remains in place that the OM IOP is available to the officials concerned), 2. incorporated into WPM IB are areas in which the role of IB is dominant or paramount. In case of other areas, reference is made to OM IOP. Within the framework of WPM IB, prevailing is the second approach. While in this way, on the one hand, ensured is the formal embedding of obligations ensuing for IBs from OM IOP in WPM, on the other hand, an absence of concrete procedures and guarantees for the pursuit of some activities on the level of IB occurs. Moreover, the said approach puts bigger requests upon WPM users (due to necessity to work with multiple documents).
- In pursuit of ensuring the uniformity of procedures, and cohesion of WPM IB with OM IOP, in some implementation areas OM IOP contains prepared work practices, sample tables a forms that are binding for all IBs. In relation to ensuring uniformity of procedures and cohesion of OM IOP with WPM IB, the aforementioned fact appears to be positive.
- In the area of **cohesion of WPM of respective IBs** a problem was identified with intervention areas into the implementation of which engaged are multiple IB. During WPM elaboration, the purpose was observed – on the part of IB – to describe in the respective WPM solely activities applying to the IB concerned (i.e. to IB I), whilst in case of activities pursued within the competency of another IB (IB II) to refer to the relevant WPM IB II chapter. Whereas implementation of the said intervention areas in processes of project administration and control rather take place within the *IB I - IB II - IB I - IB II - x* pattern, i.e. as a as repetitive rotation of guarantees and activities in the course of one single process, the said approach has in practice proven to be problematic. On the one hand it is marked by little flexibility in relation to making alterations in WPM. On the other hand, IB officials must know the WPM of other IBs engaged in the implementation given intervention area. Moreover, as a problem appear - within the said context - findings made in WPM IB in the form of flawed reference, or reference to non-existent WPM chapters of the other IBs, overlaps in activities and guarantees of respective IBs, as well as in the form of unclear determination or absence of guarantees in case of activities on which both IBs participate (problem partly in intervention areas 2.1 and 3.4).
- **Logical structure** OM IOP and of respective WPM IBs is different. Within the framework of WPM, 3 approaches may be identified:
 - a) The document structure replicates OM IOP, i.e. the document is split into 4 major parts (A. Program management, B. Financial management, C. Control, D. Audit), within the framework of which procedures are partly tackled in a processual way. The approach is applied in WPM IB MC and IB HM;

- b) The document structure replicates the project life cycle a contains, as an option, chapters on areas of implementation not applying to administrative , control of the project´s financial management The approach is applied in WPM IB CRD and IB MLSA;
 - c) The Document structure partially follows the logic of processes, yet does not replicate the structure of OM IOP. The approach is in place in WPM IB IM.
- The problem with the different logical structure of OM IOP and of respective WPM IB may be seen in the uneasiness of ensuring cohesion between WPM IB and OM IOP, and the control thereof; the same applies analogously to cohesion of respective WPM IB in intervention areas to the implementation of which engaged are more than just one IB (a problem arises in case of intervention areas 2.1 and 3.4 with WPM IB having a different structure).
 - **As for lucidity and understandability**, a satisfactory status may be declared in case of OM IOP and WPM for IB participating in implementation of one intervention area. As a bit more problematic – from the evaluator´s perspective – the lucidity of WPM at IBs administering multiple areas of intervention, i.e. elaborated in WPM are procedures for all intervention areas. However, pursued is a policy of processing one procedure for all intervention areas, with announcing specifics for relevant intervention areas (i.e. no procedure is separately elaborated for respective intervention areas). Nonetheless, the problem was not confirmed by WPM users.
 - As a general problem in terms of lucidity and understandability identified was an insufficient use of graphic diagrams and of summary tables in case of processes/activities with more bodies engaged, or in case of processes characterized by demandingness relative to the number of activities. That is an instrument that - in OM IOP and IB WPM – tends to be used by way of exception only.
 - **In terms of recallability of alterations carried out** in working practices, identified as a problem is the absence of pursuit of review records in WPM of some IBs (CRD, MLSA) was identified. Though alteration versions of documents are retained, these do not provide for a quick orientation in alterations made, neither for keeping track of development of changes in the document.

Summary/response to the evaluation query:

- Based on the analysis performed, identified by the evaluator were problematic areas in the structure, understandability and lucidity of IOP and IB manuals; these, then, pose a risk for an effective management control inside MA and IBs, the control of observance of IB obligations by IOP MA, and for an effective fulfilment of obligations on the part of members of IB staff. It is a case of a diverse documenttion structure, and of different approaches to descriptions of procedures of individual bodies, or of insufficient cohesion of WPM IB engaged in the implementation one area of support, of low level of lucidity and understandability of the description of processes/activities with more than just one body/processes engaged, characterized by demandingness in terms of the number of activities, and by absence of review reports (the latter problem appertains to WPM IB CRD and WPM IB MLSA).

Query No. 2 (Evaluation level - system): Does the OM IOP use a standard description of Implementation processes?

Introduction:

As a standard description of implementation processes, a processual model was established by the evaluator that is administered in most operational programs (OP) upon the creation of MA or IB work procedures. Moreover, the recommendation to put in place the processual model when implementing the OP in the program period, is inherent in the *“Framework parameters of the set-up of the model of implementation structure of operational programs in line*

with the definition of the General ES Directive for the program period 2007-2013" study, issued by the National Framework of ES support (i.e. the predecessor of the current National Coordinating Authority).

The processual model ensues from key principles of modern management. The basis of the processual model is a break-down of the management system into processes and activities described in detail, and an allocation of responsibilities for the said processes/activities within the given organizational structure. The process, or an activity, has defined all core attributes:

- input
- output and the storage thereof
- guarantor
- collaborative bodies
- deadline for activities to be carried out
- and further parameters relating the character of activities and the needs of the given organization (e.g. addressee, sender, relationship with IB).

The process, or activity, is always put into a sequence of logical steps. In other words, it is obvious which process/activity it is preceding, and which one it comes after. In order to facilitate understanding of links between activities, and in order to ensure clearly established roles of respective subjects involved in the process/activity, tables providing a survey of core attributes of the process/activity are used. The analysis performed was oriented at:

- whether or not – in OM IOP and MMP – the form of a processual model is made use of;
- whether or not – in descriptions of processes/activities – core attributes are defined.

Major findings were made on the basis of an analysis of OM IOP and of respective WPMs, performed using the desk-research method.

Major findings:

- Upon IOP implementation and set-up of working procedures, the **processual model of management** was only partially utilized, and by some implementation bodies only. That, then, is reflected in the form of description of procedures, as well as in the level of particularity thereof. Generally, two approaches may be identified:
 - a) **Procedures are described according to mega processes** (or rather areas of processes) **and processes** (OM IOP and WPM IB MC and HM, partially WPM IB IM); not always however, the logical hierarchy of the processes is apparent (particularly in case of WPM IB IM);
 - b) **The description of procedures replicates the project's life cycle** and optionally contains chapters on areas of implementation not applying to administration, control, and financial management of the project. These descriptions do not exploit the utilization of the processual model (WPM IB CRD and MLSA).

At the same time, differences in the form of descriptions and in the level of particularity thereof were found on the level of respective WPM (incl. OM IOP).

- **OM IOP** falls into 4 major parts:
 - A. Program management
 - B. Financial management
 - C. Control
 - D. Audit.

In terms of process management, parts A - D may be looked upon as mega processes (or rather process areas), and the respective implementation areas processed in the chapters thereof, may be looked upon as processes.

Given the different ways of description, and the varying level of particularity applied in the description of activities and competencies, the process with a lucid ranking of relevant activities, an obvious guaranty and collaboration of respective bodies cannot always be clearly identified.

The description of activities is made up to the level of implementation structure bodies (MA - IB - PCA, etc.), exceptionally up to the level of working positions (MA manageress, minister, head of IB). Descriptions of procedures and the set-up of competencies within relevant chapters are either made either through a listing of all activities applying to one responsible subject (in which case the relationship between activities is unclear), or through a description of consecutively connected activities with a specification of guarantors and collaborating bodies (in which case not always mentioned are all attributes associated with the implementation of the given activity - particularly inputs, outputs, and output repository), or in the form of a table featuring information on the subject performing an activity (guarantor), on the execution period for an activity, collaborative bodies, inputs, outputs, approver of outputs, repository, handover of outputs, link to IBs including deadlines for depositing data in IB.

Within the framework of OM IOP, the latter form is made use of most extensively, particularly in case of cases that are more complex in terms of the number of activities performed, or the number of bodies engaged. From the evaluator's perspective, it contains the most complete content of information on the process/activity concerned. On the part of IOP MA officials, however, unclarities in the pursuit of the given activity is mentioned as a weak point, namely due to the absence of a more detailed description of how the said activity is to be carried out.

- The **WPM IB CRD** contains a detailed description of activities relating to administration, control and financial management of the project. WPM does not make use of the processual model. A description of activities is made up to the level of working position with a clearly set guaranty. Part of the description of procedures is information on outputs and deadlines for the fulfillment of a given activity. However, the procedures fail to contain an output depository specification. The procedures are not accompanied by a summary table specifying inputs, outputs, the guarantor, output approver, and the depository thereof. The said attributes are nonetheless verbally described in the text. Activities relating to program management, and for the pursuit of which IBs are obligated pursuant to OM IOP, are either described in general only, or fail to be stated in WPM at all (evaluation, program monitoring).
- The **WPM IB MC** replicates - in its core structure - OM IOP (i.e. the core 4 A - D parts thematically identical with OM IOP). Here too, in terms of process management, parts A - D may be looked upon, as mega processes (or rather process areas), and the respective implementation areas dealt with in the chapters thereof may be looked upon as processes. As in case of OM IOP, clearly identify a process with a lucid ranking of respective activities, and with an apparent guaranty and collaboration of respective bodies, cannot always be clearly identified due to the disparate forms and varying level of particularity of the description of activities. The description of activities in parts A - C is made up to the level of IB departments, or up to the level of heads of working positions.
- Parts A, B and C comprise both chapters of a generally informative character and chapters featuring a detailed picture of working procedures. The form of description of procedures within WPM framework is not uniform. While in part A, a detailed description of an activity is made in either a textual form or through a table survey, in part B, it is made in both the form of text and of a survey provided in a table form. In part C the description of procedures is only provided in the form of text. Part D only comprises chapters of informative character, containing a list of bodies and of powers thereof in the area of audit, conditions for conducting an audit, plus relevant audit types. While inputs are listed only with part of activities, a survey of outputs is drawn up in each instance. Nonetheless, a comprehensive summary of documentation storage, including the place and form of storage, is available in the WPM annex referred to as the *System of storage and management of circulation of IOP documentation*. As part of the document, no procedures for the evaluation area or absorptive capacities are set out, even though - from OM IOP - obligations ensue in the given areas for IBs.

- The **WPM IB MLSA** is analogous – in terms of the form of work procedures – with that of WPM IB CRD. It contains a detailed description of activities relating to project administration, control and financial management. The procedures include a clear assignment of guarantor, information on outputs and deadlines, as well as information on the approver of outputs, and the place of storage thereof. However, identified in the procedures is a) an absence of a clear specification of inputs into the given process/activity, which is of key significance in relation to ensuring cohesion of respective activities, and b) lack of information on the movement of outputs (concerning particularly the project component, and the hand-over deadline of the said output). Whereas two IBs are engaged in the implementation intervention areas 3.1 and 3.3 (IB MLSA and IB CRD), the absence of the given attributes in the descriptions considered – by the evaluator – insufficient. WPM does not contain a comprehensive table that would - apart from above mentioned attributes – moreover specify inputs and approvers of outputs. Descriptions of procedures in program management areas, of which obligations ensue for IB from OM IOP, are described generally, with reference made to OM IOP.
- The structure of **WPM IB IM** partially builds on the implementation processual model. However, the breakdown of processes fails to fully respect the logic and hierarchy of implementation processes. Hence, for the user, the document is becoming untransparent and complex. WPM IB IM contains a detailed description of activities up to the level of working positions. However, the description of activities is complicated, not always obvious is the specification of the guarantor and of collaborating bodies. Though in the procedures the approving subject is always determined, output specification and the storage thereof are very rare. The procedures fail to include a list of processes/activities and of competencies that would make the entire document more transparent.
- With its core structure, **WPM IB HM** replicates OM IOP (i.e. the main 4 A-D parts are thematically identical with OM IOP). All parts include both generally informative chapters and detailed work practices on the level of processes. The description of procedures is clearly arranged and easy to understand, with set guaranties and deadlines. Concurrently, parts A and B comprise summary tables featuring information on the guarantor's activities, processing deadline, collaborating bodies, outputs and approval thereof, storage of outputs (deadline+subject), hand over of outputs (deadline+subject), links to legislation, and entering into IB. By the evaluator, the said form is viewed as fairly transparent and logically coherent.
- Within the framework of documentation analysis, identified by the evaluator was the absence of detailed working procedures for **IOP MA officials**. OM IOP processes procedures and competency specifications on the level of MA and IBs, and concurrently modifies activities appertaining solely to MA. Even in that case, however, the description of activities is only made up to the level of MA (or up to the level of the IOP MA manageress). In course of directed interviews, it was identified by the evaluator that - apart from OM IOP and relevant internal instructions - MA officials also use detailed procedures in writing that emerge and are put in place within respective MA bodies. Though these procedures are approved by heads of relevant bodies, they are not subject to an official approval procedure within the framework of MA or within the implementation structure. In some instances (these procedures) are ancillary aids intended for an effective execution of the given activities.

Summary/response to the evaluation query:

- On the part of the evaluator, based upon the above made findings, it may be stated that the varying form of procedure descriptions, as well as the varying level of particularity thereof, contribute to the lack of lucidity in WPM cohesion of respective IBs in case of intervention areas with more than just one IB engaged. Insufficiently elaborated procedures invariably impede efficient management control of within the respective implementation bodies; the same applies to the review of the fulfillment of IB obligations, executed by MA. First and foremost, insufficiently formulated procedures fail to provide MA with efficient utilization of instruments – provided by the institute of communal authority control on the spot – indented to extort adherence to obligations. Absence of official detailed procedures for the activity of MA is assessed – by the evaluator – as a problem, particularly in relation to ensuring steering control, not to mention the possibility to execute efficient control through external control bodies.

II. The set-up and functioning of the implementation system

Query No. 3 (Evaluation level - system): *Is the Implementation system fully functional and sufficiently effective?*

Introduction:

By the recommendation study referred to as “*Framework parameters for set-up the model of implementation structure of operational programs in line with the definition of the General EC order for the program period of 2007-2013*”, issued by the National framework of EC support, recommended for OP implementation is the **hierarchic processual model containing 3 core levels:**

- mega processes
- processes
- activities

Mega processes represent a relatively extensive set of processes and activities constituting a logically closed and relatively autonomous area of activities within the framework of program implementation. Each area of processes spreads into respective processes. Processes may be defined as logically related set of activities, upon the specification thereof, both the object of activities and the distribution of responsibilities for the realization of the processes within the organizational structure, are taken into account. Each process subdivides into **activities**. Activities epitomize core actions.

Taking into account the structure of OM IOP and WPM, and the obligations ensuing for MA from the EC Council Directive No. 1083/2006 as of 11 July 2006 on general provisions of the European Regional Development Fund, European Social Fund and Cohesion Fund, and on management cancellation (ES) No. 1260/1999, and for IBs from bilateral agreements of delegating MA activities on IBs, concluded between relevant ministries (in case of CRD CR, the delegation is made in the form of issuance of the Decision of the Minister of MLD CR), the evaluator had set the following processes:

- Strategic program management
- Methodology support
- Program monitoring
- Program evaluation
- Absorptive capacity management
- Communication and publicity
- Administrative procedures (for the selection and approval of projects)
- Inspection
- Financial management
- Inconsistencies

Upon OM IOP and WPM analyses of respective IBs and upon directed interviews with officials of MA and of respective IBs, the evaluator checked whether or not:

- a) Activities required to take place in respective processes are actually realized (i.e. activities ensuing from IOP MA and IB obligations, and ensuring an effective and functional implementation of the program)
- b) duplicate responsibilities exist (or whether allocation of responsibility is missing)
- c) instances of processual ineffectiveness occur.

Based upon the procedure described above, the evaluator arrived at a list of findings dealt with herebelow. Whereas respective findings would differ significantly in their possible impact upon the program implementation as such, and in an effort to maintain a sufficient lucidity of the said evaluation outputs, the following text only comprises findings

epitomizing a major problem, of rather some kind of jeopardy relating the functionality and effectiveness of the IOP implementation system.

Whereas program implementation undergoes constant development, requests for all supported intervention areas/ activities have not been realized yet, and – in some intervention areas – the realization of only the first projects is currently taking place, the functionality and effectiveness of the implementation system, or of respective processes, may be evaluated with some limitation.

Some findings are dealt with in greater detail within the framework of evaluation queries related to the respective processes (or to activities related thereto). Moreover, in the said queries, closer addressed are findings to do with instances of ineffectiveness in program implementation which nonetheless are not of processual character (meaning that those are not described in detail as part of the present evaluation query).

Major findings:

- Based upon the results of the analysis and of interviews performed, the **implementation system** may be – within the given phase of implementation – evaluated as, on the whole, **functional**. However, on the level of respective processes, identified were facts that epitomize a risk in relation to the system functionality, or facts having a negative impact upon the efficient pursuit of the given process and – hence – upon the program implementation effectiveness.
- **Strategic program management:** The mechanism of communication between MA and IBs is set, it may be marked as functional though not fully effective. However, the ineffectiveness here is not of processual type; rather, it ensues from an inappropriate selection or orientation of communication instruments (for more details, see evaluation query No. 6). In the area of communication between bodies of implementation on the IB - IB level, identified was an absence of a set-up of an effective mechanism for communication and coordination of IB procedures in intervention areas, on the implementation of which multiple IBs participate (regular meetings, information sharing, crystal-clear set-up of communication channels). As ineffective, **procedures in the area of human resources education** need to be marked. Responsibility for the education of officials is split between MA and IBs, with no coordination being safeguarded on the part of MA. Not even is coordination of procedures ensured through IOP education strategy, relating rather to the education of IOP MA officials, with orientation on IB that is not quite clear. Moreover, IBs are not obliged to dispose of an education strategy of their own; as a result, not even on the IB level is controlled education ensured. These facts in turn result in insufficiently ensured education of officials (which poses a problem particularly in case of bodies found to be lacking professional skills), as well as in the potential risk of ineffective utilization of TA funds intended for the financing of education.
- **Methodology support:** Though OM IOP does not lay down procedures for the provision of methodology support to IBs from MA in documentation interpretation, MA practically does fulfill the task. Methodology support in document interpretation may be seen as functional, though with certain deficiencies concerning effectiveness. Ineffectiveness here however is not of processual type; the said problem area is addressed in closer detail within evaluation query No. 7. As less effective, identified was in the area of methodology support the procedure intended for the formation of program documentation (OM, WPM and Manuals for beneficiaries and applicants), namely in terms of lengthy periods of amendment proceedings. The lengthy periods largely ensue from an insufficiently ensured coordination of respective documents in time, and moreover from, e.g., a flawed replacement of set comments (i.e. it rather is a case of one-shot activities, amendments to documentation of more than just one IB take place in one go). Low effectiveness of methodology support in document preparation moreover rests upon the weak spots of the amendment proceedings instrument (see evaluation query No. 7). The length of amendment proceedings, spreading out sometimes up to four calendar months, has an impact upon both the preparation of the request as well as upon the overall planning thereof.

- **Program monitoring:** In monitoring process, as insufficient the set-up of mechanisms for the pursuit of regular short-term monitoring on the level of intervention areas was found. Deficiencies can be identified in poor IB coordination by MA, in data monitoring and evaluation on the level of respective intervention areas, and in an unclear delineation of roles between MA and IB within the given domain. Also unclear is the specification of competencies in monitoring intervention areas among IBs participating in the implementation of the given intervention area. Uncoordinated and insufficient safeguarding of data monitoring and evaluation on the level of respective intervention areas pose a risk to successful pursuit of the given intervention areas, as well as of the entire program.
- **Evaluation of the program:** In the evaluation process, identified was an unclear specification of competencies between MA and IB. Though - according to OM IOP - the guarantor of the pursuit of program evaluation is IOP MA, it is the IBs (except for IB CRD) that dispose of TA funds to carry out their own evaluations without any big coordination by IOP MA. The pursuit of evaluations by respective bodies, and the practical utilization of the conclusions thereof, is lacking coordination on the part of MA; as a result, an ineffective approach to program evaluation, and ineffective utilization of TA finances take place.
- What moreover is worth cautioning is the **insufficient interlinkedness of absorptive capacity management with the evaluation of the program and program monitoring**. An analysis of absorptive capacity is - on the level of respective intervention areas - carried out once a year, as at a firmly set date. Hence, missing are analyses carried out when critical indicators ensuing from current program monitoring, occur. Moreover, non-established is a clear guaranty and coordination for conducting *ad hoc* analyses of absorptive capacity in the form of evaluations between MA and IBs.
- **Communication and publicity:** In the areas of communication and publicity, no findings with an unfavorable impact upon the effectiveness of the implementation program were made.
- **Administrative procedures:** Within the process of administrative procedures, comprising activities associated with the selection and approval of projects, identified as ineffective - process-wise - are procedures in intervention areas in the implementation of which 2 IBs are engaged. Engagement of 2 IBs puts high demands on a consistent and systematic information shift, and on close cooperation bodies concerned. An alternate engagement of IBs in the respective phases of project administration and control is associated with a recurrent transfer of project components with high frequency, and that means shortening deadlines for the pursuit of activities incidental to project administration and control. Further, identified is an ineffective process oscillation, i.e. into the realization of one activity, multiple bodies are engaged (in that way, an activity is broken down to operations, performed alternately by respective IBs). The alternate engagement in both project administration and control moreover impacts unfavorably upon ensuring continuity of project-related information. A detailed analysis of administrative procedures of respective intervention areas in terms of effectiveness and demandingness - given the orientation of intervention areas concerned - is performed as part of evaluation query No. 12.
- **Inspections:** Both IOP MA and respective IBs have set a system of inspections/reviews that is compliant with Czech legislation governing financial control in public administration and state control, as well as with Council (EC) Directive No. 1083/2006, and Commission (EC) Order No. 1828/2006. On the one hand, IB coordination on the part of IOP MA is ensured through the core uniform rules established for the set-up of a system of checks and performance thereof and - on the other hand - through the existence of a plan of inspections submitted by relevant IBs to MA. Given the phase of program implementation, the effectiveness of the entire control system cannot be sufficiently evaluated in practice; that particularly applies to the pursuit of public-law control on the spot. In terms of effectiveness and coordination demandingness, as a potential risk, the pursuit of interim checks with multiple subjects being engaged (i.e. multiple IBs within one intervention area, inspection bodies of respective departments in case of some IBs) may be marked. In that case, the pre-requisite for to successfully cope with the checks is a clear-cut determination of competencies in the area of carrying out such checks,

coordination of inspection actions among relevant bodies, and a working system for the transfer of information on the findings made pending relevant checks.

- **Financial management of MA and IBs** There are clearly set rules for the area of financial management, with a clear-cut delineation of guarantees. Concurrently, in practice, coordination is applied on the part of MA, and collaboration between MA and IBs. In that way, fulfilled is one of the key pre-requisites for a successful realization of the implementation area; it is characterized by high demandingness on management - given the number of bodies engaged in the process (or rather mega-process), by assertion of multiple methods of financing, and by differences in procedures for different types of beneficiaries. Given the program implementation phase, the effectiveness and functionality of the entire financial management system cannot be sufficiently evaluated. According to the evaluator, in relation to the effectiveness and functioning of the system, it is the economy bodies of respective departments fulfilling the function of financial bodies for IOP intervention areas that pose a certain risk. The risk ensues from the difference in the position of IBs and of given bodies within the resort, as well as from the difference in working procedures in relation to the manner (established culture) of the pursuit of activities (particularly insufficient work procedure manuals, observance of communication hierarchy, different time span available for the fulfillment of tasks). These facts may have an impact upon the functionality and effectiveness of the collaboration of financial bodies with IBs.
- **Inconsistencies:** Due to insufficient verification of the said procedures in practice, no more detailed evaluation can be made. At the present stage, just one positive experience can be stated, namely that both MA and IBs have established procedures for reporting and tackling inconsistencies with a clearly set guaranty.

Summary/response to the evaluation query:

Based on the facts mentioned above, the evaluator classified the implementation system – within the given phase of implementation – as functional. However, on the level of some processes, identified were facts posing a risk in relation to system functionality, or facts that negatively impact upon the effectiveness of the performance of the given process and - hence - upon the effectiveness of the program implementation. That concerns processes such as strategic program management, program monitoring, evaluation, absorptive capacity, and administrative processes.

Query No. 4 (Evaluation level - program): Is the set-up of IOP implementation structure optimal in terms of the orientation thereof?

Introduction:

The complex IOP implementation structure with a high number of Intermediary Bodies (IBs) ensues from the broad program orientation and the scope of priority axes, as well as from the national legislation framework. The primary reason behind the delegation of powers upon IBs (except for CRD) into program implementation is - rather than enhancing process effectiveness, ensuring a professional approach to project selection, or ensuring sufficient administration capacities – heeding the legislation with regard to program orientation.

Through government Resolution No. 175/2006, authorized to perform the office of **IOP Managing Authority** was the Ministry of Local Development (MLD). Upon the decision No. 184/2007 issued by of the Minister of local development, authorized to carry out the function of the Managing Authority (MA) for the Integrated Operational Program (IOP) was the *Department of IOP Managing Authority & of TA operational program* which – through the Decision No. 103/2008 as of 30 June 2008, issued by the Minister for Local Development, became part of the Department of Operational

Program Management. Part of the Managing Authority is the Department of EU Program Administration in the MLD budget department.

Delegating part of to **Intermediary Bodies (IBs)** is ensured through bilateral agreements concluded with relevant ministries; in case of CRD, the delegation of activities is carried out through the decision of the Minister of local development. The IOP MA delegated part of activities onto **5 Intermediary Bodies**. A survey thereof is provided in the table below:

Table5: IOP Intermediary bodies

Intermediary body	Body fulfilling the function of IB	Intervention area												
		1.1	2.1	3.1	3.2	3.3	3.4	4.1	5.1	5.2	5.3	6.1	6.2	
CRD	-		x	X			x	x	x		x	x	X ¹	X ¹
MC	Department B MC									x				
MLSA	Department of social services MLSA			X										
	Department of implementation programs ESF MLSA						x							
IM	Department of Structural Funds of IM	x	x					x						
HM	Department of European Funds MZD					x								

In case that the beneficiary in 6a/6b priority axes is Technical Aid of CRD CR, IOP MA does not delegate any activities to IB.

On the implementation of IOP (or rather of intervention areas 4.1, 5.2, and 5.3) the following materially relevant departments of MLD cooperate:

- **Department of tourist industry:** Participates on preparation and upgrade of program documentation, attends negotiations of the tender commission for intervention area 4.1.
- **Department of housing support:** Participates on preparation and upgrade of the program documentation and on realization of intervention area 5.2.
- **Department of territorial planning:** Participates on preparation and upgrade of the program documentation and on realization of intervention area 5.3.
- **Independent department of regional worksites:** Participates on preparation and upgrade of program documentation, ensures receipt of applications for IMDP approval, and participates in IMDP evaluation within intervention area 5.2.

With the number of bodies engaged in IOP internal implementation structure, the latter may well be marked as complex. The complexity thereof is increasingly deepening on the level of implementation of respective intervention areas, with multiple bodies being engaged – within one intervention area - in call preparation, selection, approval, control and financial settlement of a project. Except for MA and IB, that entails materially relevant departments of MLR (i.e. Department of Tourist Industry - intervention area 4.1, Department of Housing Support, Independent Department of Regional Worksites – intervention area 5.2, Department of Territorial Planning – intervention area 5.3) fulfilling the role of expert guarantor³¹ in case of preparation and upgrade of program documentation and upgrade, in provision of methodology support to applicants, and participating in administration or selection of projects. In case of intervention area 5.2 the realization of which is impacted by the obligation to draw up an Integrated Municipality Development Plan

³ The fulfillment of the guarantor function does not apply the Independent department of regional worksites (hereinafter only: "RW MLD"); the said body is not an expert guarantor, yet participates in realization of intervention area 5.2.

(IMDP), municipalities are engaged in the selection process. A survey of respective bodies engaged in respective intervention areas is shown in the table below:

Table6: Bodies engaged in the pursuit of IOP intervention areas

Subject Intervention area	I MA	IB CRD	IB MC	IB MLSA	IB IM	IB HM	Expert guarantor MLD	Municipality
1.1					x			
2.1		x			x			
3.1		x		x				
3.2						x		
3.3		x		x				
3.4					x			
4.1	x	x					x	
5.1			x					
5.2	x	x					x	X
5.3	x	x					x	
6.1	x	x						
6.2	x	x						

In relation to the number of bodies engaged in the selection, approval, control, and financial settlement of the project of one intervention area, 4 models⁴ may be identified within the implementation structure²:

1. One IB
2. Two IBs
3. MA + IB + MLD expert guarantor
4. MA + IB + ?LD expert guarantor + municipality

The evaluator carried out an analysis exploring the suitability of the given models for the realization of intervention areas on 1-5 priority axes, namely in view of:

- Ensuring material expertise in relation to the orientation of the intervention area
- Ensuring administrative capacities in relation to functional and successful realization of the given intervention area.
- Ensuring the effectiveness (particularly processual) of intervention area realization in relation to (anticipated) number of number administered a realized projects, amount of distributed financial projects, or rather the financial amount of projects within the given intervention area.
- Major findings ensue from a program documentation analysis, incl. OM IOP and MMP of respective IB carried out in the desk-research form, as well as form directed interviews held with officials in individual IB.

Major findings:

- As a fundamentally limiting factor in terms of ensuring effective **management of a greater number of IBs** by MA, insufficient instruments for enforceability of obligations delegated to IBs appear, combined with the poor level of

⁴ In case of areas of intervention 6.1. and 6.2. orientation on TA realization, identified is the 5th model of MA + IB. Whereas the given intervention areas do not constitute an evaluation subject, the said model was not evaluated.

competencies in human resources - in relation to both capacities and education thereof. As a result, IOP MA cannot flexibly respond to problems associated with activities pursued by IBs, and quickly ensure the redress thereof. Though one of the anticipations linked with the involvement of a higher number of departments in IOP implementation in the role of IB was ensuring the materially-expert side of project administration and control, in practice, the initial stages of implementation, such anticipation was not always achieved. The materially-expert criterion of some IBs was not even ensured in the body fulfilling the IB role, neither in the form of establishing a cooperating subject within the department (IB IM). That, then, was a fact that had turned out to be a con in both the provision of methodology support to applicants, and in preparation and interpretation of the program documentation by IB. According to the evaluator, another weak spot impacting upon implementation effectiveness, the fact that engaged into IOP implementation were departments lacking any experience with SF implementation, gained in the previous program period. Only some "new" IBs HM managed to ensure a sufficient number of officials disposing of the given expertise. Hence, some IBs (IBs IM and IBs MC) are lacking sufficient experience that might be of help in improving the effectiveness of working procedures, and in terms of the mode of performing activities ensuing from IB obligations. Methodology support to these bodies that would compensate for the said deficiency is - in the view of IB - considered to be not fully sufficient. Cumulation of abovementioned problems may lead to jeopardy to the functionality of IBs, and - *in extensio* - to the entire implementation system of the intervention area concerned. In practice, that fact occurred in case of IB IM in intervention areas 2.1 and 3.4 (see below).

- **The model of engaging 1 IB into implementation of one intervention area** appears to be - processual-wise - most effective. However, in order to successfully realize implementation, the pre-requisite is ensuring sufficient human resources, both in terms of capacity, and expertness (both material and SF-related). These pre-requisites were satisfactorily fulfilled only in intervention area 3.2 (IB HM).
- **The model of engaging 2 IB into do implementation one intervention area** represents - on the one hand - a way of ensuring both expertness and sufficient administrative capacities. On the other hand, however, the following weak spots showing up particularly in decreased processual effectiveness of the model - have been identified by the evaluator:
 - High demands on concurrence of procedures specified in WPM of respective IBs, whilst alignment of procedures of respective bodies is challenging in terms of coordination and elimination of individual approaches;
 - Insufficient coordination of transfers of information relating to projects (project statuses, negative evaluation, methodology interpretation, etc.) and to coordination of the shift of respective project components;
 - The so-called oscillation of activities within the process;
 - Increased risk of non-compliance with deadlines of respective activities, largely due non-inclusion of the deadline for transfer of the project component into respective procedures;
 - High demands on officials of IBs in relation to the savvy of procedures of the other IB, on the savvy of request conditions, and of the expert side of projects within the realization thereof (with the two latter aspects applying to CRD).
- The **MA - IB - expert guarantor** model of implementation for the Intervention area with the provider being a MLD CR subsidy, MLD departments out of MA structure are the expert sponsor of the intervention area and CRD fulfils the function of IB, is - in terms of a systems perspective - least effective; however, in the given situation it is adequate in relation to IB administrative capacities and to their expertise gained in project administration. In that way, CRD - as an MLD's contributory organization - is subordinated to IOP MA even organizationally and, process- and organization-wise, the system is optimally set. Though partial deficiencies tend to occur in practice, those are not critical, nor of a systems character. The selected models of communication between bodies participating in the implementation of intervention areas concerned are adjusted to meet actual requirements. CRD is evaluated

as an experienced partner; another advantage is the proximity to applicants/beneficiaries in individual regions of the CR manageable through P-CRD.

- **Intervention area 1.1 - Development of an information society in public administration:** Given the orientation of the intervention area, the engagement of IM CR as an IB is logical. The overall coordination of the implementation of the given intervention area is complicated by the fact that – conceptually – it is a very challenging area, requiring management across several departments, which makes the preparation of respective projects a lot more complex when compared to other intervention areas. Though projects are prepared in liaison with government Resolution No. 536/2008, in the past they would often be prepared “in the nick of time”, i.e. without appropriate cooperation with IBs; as a result, a huge amount of queries would tend to be generated, with complications arising – that all having a major impact upon IB officials. For the same reason, the initial stage of administration was marked by a fairly complicated support provided to applicants expert-wise, the reason being that queries relating conceptual, material and technical orientation were impossible to be responded by project managers without the support of IM experts. Therefore, for the given purpose, at the IM - at the Section of the Main Architect (SMA), directly appointed was a responsible officer whose job is to provide SMA standpoints on the projects. As a newly set up IB, the IB IM did moreover not dispose of officials rich in SF-related expertise gained in the previous program period.
- **Intervention areas 2.1 - Implementation of ICT in territorial public administration, and 3.4 - Services in the area of safety, prevention and risk tackling:** Here too, as in intervention area 1.1, with respect to the orientation of the intervention area, IM CR was established as the IB. Particularly due to insufficient administrative capacities, and in an effort to ensure a speedier and more flexible project administration, additionally engaged in the implementation of intervention areas 2.1. and 3.4 was CRD. Moreover, the engagement of regional CRD (P-CRD) branches added to the comfort of applicants and beneficiaries when submitting their applications in some regions; moreover, IB IM was helped to more smoothly cope with the start-up of their own implementation. On the other hand, most projects in the said areas will require conceptual and expert aid, and that cannot be ensured by CRD without the help of IM. So, the measure put in place needs to be perceived – on the one hand – as appropriate in terms of a quick start-up of the entire administration of the aforementioned intervention areas; on the other hand, however, it is problematic in terms of expert savvy of the problem issues. Moreover, engagement of another IB into implementation bears the above mentioned risks to the effectiveness of realization of activities associated with the implementation of the intervention area. Despite the afore mentioned weak spots, the set system may be perceived as a suitable solution capitalizing on CRD expertise with the administration of projects from SF – a solution that contributes to speeding up the implementation of intervention areas concerned.
- **Intervention area 3.1 - Services in the area of social integration:** Based upon the findings made so far, it may be stated that through engagement of MLSA as an IB into the implementation of intervention area 3.1, ensured is matter-of-fact expertness. Moreover, an advantage for the implementation of the given intervention area is the SF-related expertise of officials gained in the previous program period, and experiences of officials with OP LZZ. Though MLSA officials are proficient with non-investment projects financed from SF, expertise with investment-type projects is lower. In relation to the assumed number of projects (c. 150) and the sufficient capacities ensured, the set implementation system needs to be viewed as an optimum.
- **Intervention area 3.2 - Services in the area of public health:** The opted for model of implementation appears to be an effective and fully functional system of implementation, linking effectively the savvy of SF agenda (officials with expertise from SF) with the professional knowledge of the health system agenda. Engagement of the expert public in setting up the specifics of respective requests, and the presence of a professional health system consultant are an indication of an effective solution of matter-of-fact expertness in the given intervention area. Given the anecdotal character of announcing time-limited requests, it may be stated that one-shot overloads of IB officials tend to occur. With the increase of the number of ongoing projects, a shortage of officials is identified in the departments of control and monitoring. The given implementation structure is optimal even in relation to the

type and number of projects. The set processes are not considered to be too complex, there is no oscillation of activities or ineffective transfer of information relating the given projects (or components thereof) among respective departments. Administrative procedures within intervention area 3.2 are evaluated as adequate in terms of the character of support and type of beneficiaries.

- **Intervention area 3.3 - Services in the area of employment:** As in case of Intervention area 3.1, here too, it may be stated that through engagement of MLSA as the IB in intervention area 3.3 implementation, the matter-of-fact expertness is ensured. The said benefit is effectively exerted in the phase of consultation and preparation of project intents. Given the low number of projects anticipated (c. 30), the engagement of a second IB, CRD (or rather P-CRD) into the administration of projects in the phase of control of formal particulars and evaluation of acceptability of the project is – by the evaluator – seen as rather unsatisfactory and less effective. The said procedure entails an excessive load for both P-CRD officials (with the need to be familiarized with the request conditions though the number of projects/P-CRD may be minimal), and IB MLSA officials (provision of methodology support in relation to matter-of-fact expertness of P-CRD) within a relatively short time span of 5+2 working days). On the other hand, engagement of CRD officials in the process of checking tendering procedures, making reviews of Trade licenses and monitoring reports, may be seen as worthwhile in relation to their expertise with investment projects in the area of SF.
- **Intervention area 4.1 - National support of tourism:** Given the orientation of intervention area 4.1, apart from engagement of IOP MA and IB CRD, use is moreover made of the institute of expert guarantor, represented by the MLD Department of tourist industry. Its task is first of all to properly set the orientation of the support provided by IOP. Based on the findings made within intervention area 4.1, it may be stated that – through engagement of CRD in the administration, monitoring and control of projects, top-quality implementation of IOP is ensured, as CRD constitutes a subject enjoying long-term expertise in the area of financial means from SF. As a contributory organization of MLD, as opposed to departmental IBs, CRR is moreover able to more flexibly respond to IOP MA requirements on safeguarding a successful program implementation. Though in practice partial deficiencies (such as limited pursuit of CRD activities, communication with IOP MA via HQ CRD, increasing requirements concerning P-CRD's expertness) do occur in the implementation of the intervention area in terms of ensuring processual effectiveness, those are nonetheless not critical or of a systems character (for more details see evaluation query No. 12).
- **Intervention area 5.1 – National support to the cultural heritage utilization potential:** Based upon the findings made, it may be stated that through the engagement as an IB of MC CR into the implementation of intervention area 5.1, partially ensured is matter-of-fact expertness in relation to intervention area's orientation. Though the department fulfilling the function of IB MC disposes of a low number of staff with the given expertness (2 officials), as functioning communication between IB MC and matter-of-factly relevant in-department bodies may be evaluated, as may be the utilization of the said cooperation during project intents/realized projects consultations. During the evaluation of project quality, expertness is assured on an external basis (through engagement of an evaluator disposing of expert savvy in the given domain). The IB MC has no experience in OP implementation gained in the previous program period, neither does it dispose of a sufficient number of staff known to have such expertise. The said disadvantage is partially being offset by methodology support provided through IOP MA. In terms of the number of assumed projects to be realized (approx. 20) and financial budget thereof (of an average of approx. 400 mil.), insufficient staffing may moreover be stated in terms of capacities, particularly in the area of control a financial management. Nonetheless, rather than a potential engagement of another IB into the implementation of the given intervention area, as an effective solution of the above mentioned problems, further utilization of methodology support provided by IOP MA is seen, as is the establishment of an effective system of staff education, and of inviting external experts in case that boosting the number of IB officials will – in general – prove infeasible. The given implementation structure is optimal in relation to ensuring the effectiveness of activities performed. The processes set within the IB are not considered slippery; no ineffective oscillation of

activities takes place, the quick mode of information conveyance among respective departments is effective, and ensured is moreover the continuity of respective information bits relating the project.

- **Intervention area 5.2 - Improvement of environment in rough housing estates:** The selected model of implementation with the utilization of a new way of drawing EC financial means (i.e. through IMDP) represent both ensured expertness and sufficient and top-quality administration capacities. What the implementation model for intervention area 5.2 is specific in, is the fact that the support framework is constituted by a strategic municipality document that is approved as first; linked thereto are subsequently respective partial projects of a variety of bodies with a factual draw-down of financial means. Another specificity of the model is that more than just one subject is entering therein. In terms of practical realization of intervention area 5.2, of key significance is coordination of respective agents participating in implementation, i.e. the role of IOP MA within the said area is supposed to be strong. The existence of a MLD (DHS MLD) expert guarantor is of key importance for proper channeling of the urban development support. Though engagement of RW MLD is suitable in relation to availability thereof in respective regions, it may further complicate the system with multiple bodies engaged. Participating on the selection of partial projects is the municipality – as the holder of IMDP. Despite any an all effort of MLD in the provision of methodology support to municipalities, deficiencies in ensuring the provision of expert support on the part of municipalities endure. Engagement in CRD is evaluated as effective largely in relation to both the availability thereof within the regions, and CRD expertise contributing to a successful implementation of the intervention area. In practical terms, within implementation of the intervention area, partial deficiencies such as limited pursuit of CRD activities, communication with IOP MA via HQ CRD, increasing requirements concerning P-CRD´s expertness nonetheless tend to occur in course of ensuring the processual effectiveness, they are however not critical or of a systems character (for more details see evaluation Query No. 12).
- **Intervention area 5.3 - Upgrade and development of systems of creation of territorial policies:** The intervention area concerned is specific with its huge amount of projects that are relatively small in relation to financial volume. Whilst CRD tackles the process of receipt and administration of applications, the control and monitoring of projects, the NLD Department of territorial planning - as the expert guarantor – provides backing to the methodology interpretation of the intervention area, and closely cooperates in preparation and realization of seminars intended for applicants. As set, the system may be viewed as adequate in relation to intervention character. Partial deficiencies thereof such as limited pursuit of CRD activities, communication with IOP MA via HQ CRD, increasing requirements concerning P-CRD´s expertness are however not critical, or of a systems character. (For more details see evaluation query No. 12).

Summary/response to the evaluation query:

- Based upon the findings available it may be stated that – as an entity – the IOP implementation structure is not optimal in terms of ensuring efficient management by IOP MA, particularly due to insufficient IOP MA instruments to be used to enforce obligations delegated on IBs, and due to a low level of competency in the area of IB human resources. In addition, some other pre-requisites for an effective engagement of multiple bodies into the implementation program, such as ensuring expertness, sufficient administration capacities, and of processual effectiveness, are only met in part (the situation is satisfactory in intervention areas 3.1, 3.2, 4.1, 5.2, 5.3).

III. Management, methodology support and communication within the IB

Query No. 5 (Evaluation level - program): Does the Managing Authority dispose of sufficient Instruments to tackle Intermediary Bodies (IBs) when ensuring observance of their obligations?

Introduction:

Though the Managing Authority (MA) can delegate its decision-making powers to an IB, overall responsibility for the program management cannot be delegated. Delegation of activities on IB is covered by bilateral agreements concluded with relevant ministries, or through government Resolution No. 537/2008 as of 14 May 2008. In case of CRD, the delegation of activities is accomplished through MLD Decision No. 55/2008 as of 15 April 2008 on the appointment of the Regional Development Center of the CR to fulfill the tasks associated with the discharge of the function of Intermediary Body for the implementation of the Integrated Operating Program. Through Amendment No. 1 to the bilateral agreement signed between MLD and MLSA, and through the MLD Decision No. 4/2009, effective as of January 2009, it was decided that on the implementation of IOP intervention areas 3.1 and 3.3, the Ministry of Labor and of Social Affairs (MLSA) and the Center for Regional Development of the CR, would participate as Intermediary Bodies. Based on MLD Decision No. 160/2009, delegated on CRD was the administration of IOP projects within the gestion of the Ministry of Interior in intervention areas 2.1 - Implementation of ICT in territorial public administration, and 3.4 - Services in the area of safety, prevention and tackling risks.

IOP MA monitors and controls the observance of IB obligations, particularly through

- the system of surveillance of delegated activities,
- regular monitoring of IB activities.

In case of IBs, MA carries out **reviews of delegated authorities** on which it focuses on the verification of the fulfillment of tasks set by government Resolution No. 537/2008, by Agreements on delegating activities, and on MLD Decision No. 55/2008. MA reviews focus on the course of activities pending announcement of the request, receipt, evaluation and selection of projects, monitoring, payment authorization, controls of bidding procedures, reviews of projects including specification of a sample of operations for the purposes of reviews. Prioritized are implementation areas that are – in terms of risk analysis – evaluated as controversial. **Reviews are realized on the basis of an annual Plan of reviews, and of monthly plans of reviews.** Additional control activities of MA ensue from current moves, claims and suspicions on discrepancies.

Moreover, activities of IBs are monitored through the **Monthly report on activities of IBs in IOP**. The report is submitted to MA (acting as guarantor of the given IB) – by IBs – in electronic form on a monthly basis. Reports include information on planned and materialized requests, planned amendments in IB documentation, assurance of human resources within respective IBs, realization of CoP, realized awareness-raising and other undertakings run by TA IOP, IOP review activities, reports on suspicion of discrepancies, survey of hot concerns tackled as part of implementation, and information on IOP projects.

The following findings were made on the basis of a documentation analysis (i.e. of particularly agreements/decisions on delegating activities, monthly reports on IB activities in IP, the Plan of reviews for the IOP Managing Authority for 2009) and of directed interviews with IOP MA officials (Controlling and audit department, Management department, and Department of monitoring – altogether 3 interviews).

Major findings:

- The MA disposes of a functional system for reviewing activities delegated to IBs. Primarily, the review of delegated authorities is conducted by the Controlling department. As important, close cooperation of the said department with

the guarantors of respective IBs (active within the framework of the Management department) appears. Guarantors monitor and evaluate IB activities – largely through data in IS Monit 7+, and pass over insights concerning IB review to the Controlling and audit department.

- **Monthly reports on IB activities in IOP** in their current shape cannot be considered an effective instrument of monitoring IB activities, particularly due to unsatisfactory content structure and the disparate level of particularity of information obtained from respective IBs. Problematic is the poor cohesion of the report with information on the realization of relevant intervention areas within the gestion of respective IBs (i.e. the material and financial monitoring of an intervention area concerned). The system of submitting reports by IBs, and the evaluation of the reports by IOP MA cannot – in terms of findings made so far – be considered stabilized. Hence, monthly reports on the activities of IB in IOP can only be labeled as a formal instrument used to check IB activities that fails to be effectively used in practice. *According to the information released by MA officials, currently a discussion is in progress on the new structure of the Monthly report on the activities of IB in IOP, and on the cohesion thereof with information from monthly analyses of the matter-of-fact and financial fulfillment of the program.*
- What appears to be a vital problem in terms of ensuring the fulfillment of obligations on the part of MA, is the **absence of instruments applicable for enforcement of the fulfillment of obligations and corrective measures from IB part**. On the one hand, the use of the Public Law Control institute on the spot epitomizes an instrument applicable for the enforcement of adoption of corrective measures. On the other hand, bearing in mind the aforementioned time demandingness of the entire process of controlling (including appellate procedures), in terms of a speedy adoption of these measures, the said institute is not effective enough. Another problem occurring in case of public law control is the limited capacity of IOP MA to make reference to the violation of concrete procedures on the part of IB in the event that the IB concerned fails to have drawn up in detail and approved the standard-practice procedures.
- Not even the option of tackling non-compliance with obligations ensuing from **agreements on delegating activities on the level of relevant ministers, or of the government of the CR**, does entail – given the character thereof – an effective instrument capable of ensuring observance of IB obligations on the part of MA.

Summary/response to the evaluation query:

- Based upon the findings made, the evaluator declares that MA instruments for safeguarding the fulfillment of obligations on the part of IB are not sufficient. Missing is an instrument that would be both flexible and adequate for enforcing corrective measures.

Query No. 6 (Evaluation level - program): Does communication and information transfer between the Managing Authority and IBs work effectively and in adequate quality?

Introduction:

Effective communication between MA and IB is one of the fundamental pre-requisites for the successful implementation of the program. The communication strategy of MA pursued to IBs is set forth in the **Communication Plan of IOP 2007-2013 (CoP IOP)**, and within the framework of OM IOP.

By the above mentioned documents, **the following communication instruments** are identified for the communication between MA and IBs:

1. Direct communication – negotiations and coordination meetings
2. Online communication - information web portals, reserved communication interface
3. Methodologies, manuals and handbooks, reports, studies

Direct communication MA with IBs takes place as per OM IOP through

- get-togethers of MA with implementation bodies
- work groups aimed at relevant thematic areas
- System of guarantors
- Face-to-face meetings of MA with IBs

With the instruments listed in Item 3 being evaluated as part of evaluation queries No. 1 a 2, the subject of the following analysis will only be communication instruments No. 1 and 2. The agenda of communication and information conveyance was reviewed pursuant to the criteria set out herebelow:

- Adequacy of communication instruments applied
- Effectiveness of utilized instruments of communication.

Major findings were made on the basis of documentation analysis (OP IOP, CoP IOP 2007-2013, Annual CoP IOP 2008 and 2009), using the desk-research method. Concurrently realized were directed interviews with MA officials (i.e. departments of management, methodology, controlling and audit, monitoring, of EC programs administration - 5 interviews conducted altogether) and with IB officials (IB MC, IB MLSA, IB HM, CRD, and IB IM).

Major findings:

- **The structure of opted for communication instruments** defined within IOP MA communication strategy towards IBs (**CoP IOP**) may be considered optimal, providing for a sufficient and flexible communication between respective bodies of IOP implementation. The combination of direct communication instruments with online communication ensures – provided that the instruments opted for are applied effectively – a top-quality and flexible communication between implementation bodies. The communication strategy of MA applied towards IBs, and instruments used for the realization thereof nonetheless fail to be regularly upgraded and evaluated **in terms of both quality and quality**. As a result, MA gets no feedback on the effectiveness level and quality of respective instruments used for the communication of MA with IBs.

Direct communication instruments

- **Get-togethers of MA with implementation bodies** may be considered an established instrument of communication between senior MA officials and IBs. The main benefit of the given communication instrument is particularly seen in coordination of the complex system of IOP implementation, in the opportunity to swap current information between MA and IBs, and to mutually share gained experience by IBs. However, pursuant to the findings of respective IBs, the main benefit of the said get-together (i.e. the possibility to coordinate the approach to the given implementation areas between MA and IBs, tackling hot problems) adequately made use of. Evaluated as the weak spot of the said communication instrument is the fact that coordination negotiations are not sufficiently linked with negotiations of respective working groups (WG) by who the identified problem would be tackled on a performance basis.
- **Work groups** represent a communication instrument used for *ad hoc* topics or problems, i.e. they are summoned by MA in case that a given topic or problem need to be negotiated with IBs. **The benefit of work groups** is seen in the opportunity of MA to meet representatives of IBs responsible for the given area of implementation and to present information common to all IBs. By IB officials, the quality and contribution of respective WGs is evaluated depending on the type of WG and status of respective IBs within the realization of the given IA (disparity of problems depending on different statuses of implementation). Regarded positively and fully functional are – by relevant IBs – the work groups of Financial management, Risk management, and Communication. In case of WG IB and monitoring, missing is the function of timely provided information on prepared amendments in IS Monit7+. Other work groups are considered to be relatively functional WGs, inasmuch their benefit in terms of coordination of the entire IOP system is lower. The effectiveness of the given communication instrument is affected by the

participation of relevant IBs in respective WGs, and further by the delineation of competent persons in individual IBs who regularly attend WGs and continue to work effectively with the information provided. Participating in WGs are quite often officials incompetent in terms of the agenda addressed within WGs; as a result, the effectiveness of the given communication instrument is reduced. The quality of the said communication instrument is moreover determined by the selection of topics addressed on the given get-togethers, and by the topicality of agendas relating IBs. Though respective IBs are engaged in the preparation of the program of negotiations of respective WGs, topics tackled at respective WGs are not always found to be of paramount significance and hot enough in terms of the agenda of respective IBs. Further, WGs are used as instrument providing education in the given agenda. That is considered an effective instrument of MA vs. IBs communication.

- **As a weak spot of the two abovementioned communication instruments**, identified must be the uncommittedness and **unenforceability of tasks, incl. set deadlines**, namely in instances when the institute of MA manageress' letter is not made use of. At the same time, the institute of the Manageress letter not always entails a flexible enough instrument for the solution of tasks set forth by bodies of the outer circle of IOP implementation (i.e. PCA or NOC⁵). The evaluator is obligated to declare that – in some IBs – no uniform rules have been set so far for the distribution of outputs from WGs or from meetings of MA with IBs; that subsequently decreases the effectiveness of the given communication instruments and may, in its result, have a negative impact upon assurance of the fulfillment of obligations of respective IBs.
- Another direct communication instrument used between MA and IB is email and phone communication as part of the **system of guarantors**. The said communication instrument can be classified as established and effective. The benefit thereof is the promptness of information exchange and consistency of provided information. The weak spot may be seen in the fact that – in case of some IBs – communication with the given guarantor still proceeds in an uncoordinated way.
- The above mentioned instruments of direct communication are replenished with **face-to-face get-togethers of MA officials with respective IBs** to tackle issues and concerns to do with IBs concerned. The main benefit of that form of communication is perceived in the opportunity to focus negotiations on concrete problems relating the IB in question, i.e. here we have to do with an extremely effective mode of directed communication between MA and IBs, taking into consideration the needs of respective IBs.

Online communication

- So far, not all planned instruments of online communication between MA and IBs have been utilized. Online communication instruments in the form of an information web portal, an appropriated communication interface (such as, e.g., Extranet IOP) between respective bodies of IOP implementation has not been put in place. The use of such communication interface within the framework of the complex implementation system would effectively support communication between MA and IBs, provide all bodies of implementation with a uniform access to information, and contribute to an elimination of identified processual ineffectiveness inherent in the spread of MA - IB information (loss of information, existence of duds, insufficiently set communication channels within the IB IOP framework, etc.).

Summary/response to the evaluation query:

- The mode of pursuing communication and conveying information between the Managing Authority (MA) and Intermediary Bodies (IBs) of the IOP implementation system may be perceived as a fully functional and established process among the respective bodies engaged in IOP implementation. As part of the analysis of communication instruments applied, the evaluator identified several partial problems that impair the

⁵ i.e. National Organ for Cooperation

effectiveness of information spread and the transfer within the IOP framework. These include, e.g., the risk of an insufficiently set communications platform within respective IBs, resulting in processual ineffectiveness in the loss of information, which in turn impacts upon the performance of obligations of respective IBs. Another problem impairing the effectiveness of communication is the insufficient enforceability of tasks set as part of get-togethers of MA - IB with respective WGs. Last but not least, absenting is the evaluation of effectiveness of communication instruments on the part of MA. Despite the identification of partial risks inherent in information conveyance process, communication between MA and IBs may be evaluated as sufficient.

Query No. 7 (Evaluation level - program): Is the management and methodology support provided by the Managing Authority to Intermediary Bodies (IBs) sufficient?

Introduction:

The provision of **methodology support to IBs by MA** is one of the fundamental pre-requisites for ensuring the uniformity of procedures within program implementation. Given the fact that experience gained from the implementation of OP within the framework of respective IB is disparate (and in case of some IBs moreover nonexistent), the provision of methodology support is seen as an important instrument of program management.

IOP MA provides methodology support to IBs:

- a) In course of creation of IOP program documentation
- b) Pending IOP program documentation presentation

In the phase of document creation, methodology support is provided **in the form of amendment proceedings held between MA and IBs** which – in Round 1 – proceeds in writing (electronic form), and in Round 2 in the form of negotiations between MA and IB representatives, particularly concerning slippery or problematic procedures. Should the aforementioned negotiations fail to reach consensus, negotiations on the level of IOP MA and IB deputies or ministers are instigated.

The subject agenda of management and methodology support provided by MA to relevant IBs was evaluated on the basis of the criteria listed herebelow:

- The quality and effectiveness of methodology support upon the creation of IOP documentation
- The quality and effectiveness of methodology support in IOP documentation presentation.

As OM IOP does not contain procedures pro methodology support upon interpretation of IOP program documentation, major findings were made on the basis of directed interviews with MA officials (of Methodology Department, Management Department) and with officials of respective IBs (i.e. IB MC - IMD, ILD, IDPM, IDFM, IB MLSA - IB 22, IB HM -EF/1, CRD and IB IM) and on the basis of an evaluation analysis of education schemes of IB IOP.

Major findings:

- The quality and effectiveness of methodology support in the **creation of IOP documentation** in the form of **amendment proceedings held between MA and IB** may be viewed as a well-established form of methodology support. Nonetheless, the aforementioned form of methodology support cannot be classified as effective, namely not in terms of:
 - The length and demandingness of amendment proceedings;
 - cumulation of documents in time

- different expertise of respective IB with the creation of documentation;
 - insufficient coordination of sent-in comments to the documentation concerned;
 - absence of an operative form of making alterations in documentation in case that a quick amendment of, e.g., MARFA⁶ is needed.
- By respective IBs, as the most effective instrument of methodology support during creation and upgrade of IOP documentation perceived is the form of bilateral negotiations in place between MA and IBs. The promptness, willingness and comprehensibility of information provided, and the availability of IOP MA officials during the creation and upgrade of the documentation are positively evaluated by relevant IBs.
 - **Methodology support in the area of interpretation of IOP documentation** provided by MA, is realized through a system of guarantors who - in cooperation with methodology officials of MA (Methodology department) and officials of the Department of Controlling - provide methodology support to IBs in the form of information conveyance and by responding their queries. Moreover, employed for the provision of methodology support are work groups (WGs) orientated on specific implementation areas and regular training sessions of IOP MA run for respective IBs. Inasmuch broad the scope of activities pursued by respective guarantors is, the quality of work performed therewith is evaluated positively. A bit problematic in course of the provision of methodology support appears to be the disparate levels of expert savvy and experiences of IB officials, namely in the area of Structural Funds and in expert areas relating the given implementation area or the said intervention area. As things stand now, what is urgently needed in practice is to orientate methodology support to respective IBs in line with the needs and state of IBs concerned, which is fully feasible through the system of guarantors.
 - Another form of methodology support provided by MA to respective IBs is that of **training sessions run by IOP MA for IBs**. Methodology support in the form of training is realized in topical areas common to all IBs (i.e. financial management, monitoring, IS Monit7+, etc.) and respective training schemes realized for respective IBs in 2009, training schemes were largely realized for MLSA, IM and MC). Training – as an instrument of methodology support of MA, provided to respective IBs is an effective instrument of methodology presentation; it will ensure uniformity in approach, and coordination of procedures. In terms of IBs, it might be worthwhile to make a lot more of the said mode of methodology support.
 - According to the evaluator, the weak spot likely in the area of methodology support might be the **absence of a work group for methodologists that would seek to coordinate procedures of respective IBs, and to swap experiences among respective IBs acting within the IOP framework; that would be seen as an asset particularly for IBs lacking previous experience with SF.**

Summary/response to the evaluation query:

- Further to the analysis carried out and the findings realized, methodology support provided by the Managing Authority to Intermediary Bodies (IBs) may be viewed as functional. Serious deficiencies are largely found - by the evaluator - in the area of methodology support within the process of creation of IOP documentation in the form of the creation of amendment proceedings between MA and IBs. The given form of methodology support is – largely due to the cumulation of documents within a given period of time, and due to the length of the amendment process – excessively burdensome for the entire IOP implementation system. The methodology support in the area of interpretation of IOP program documentation on the part of IOP MA, realized largely through the system of guarantors and other MA departments, is perceived as an effective and functional instrument of methodology support provided to respective IBs. As a beneficial mode of methodology support to respective IB, the system of education events run for individual IBs IOP may be seen.

⁶ [Manual for applicants requesting funding assistance](#)

IV. Methodology support and communication in relation to applicants/beneficiaries

Query No. 8 (Evaluation level - IB): Do Intermediary Bodies dispose of adequate/sufficient instruments to use in interaction with beneficiaries to safeguard the fulfillment of their obligations?

Introduction:

Obligations that the beneficiary of a support is obliged to fulfill, ensue from the Decision on the provision of a subsidy/Determining expenses and the terms thereof. In order to forestall, identify and correct errors on the level of beneficiaries, IOP MA ensures the pursuit of reviews. The pursuit of project reviews was delegated – by MA – to respective IBs. On behalf of intervention areas falling under the competency thereof, IOP MA and respective IBs ensure checks/reviews/controls at the respective applicants/beneficiaries in the form as listed herebelow:

- a) **Communal administration controls on the spot** pursuant to Section No. 8, para 2, of Act No. 320/2001 Coll., on financial controlling, as subsequently amended (MA plus all IB other than CRD);
- b) **physical controls on the spot that are** not conducted within the regime of civil service control, ensured however in compliance with the provision of Art. 13, subsection 2, letter b) of Regulation No. 1828/2006;
- c) **monitoring visits** made in case when a certain fact needs to be verified (such as, e.g., the commencement of construction work);
- d) **administration controls.**

With respect to the time criterion of performing checks relating the phase of the project implementation, performed are checks of the following types: ex-ante, interim and ex-post. The set-up of the system of IB checks, as well as procedures for the pursuance of various forms of checks with respect to the time realization thereof in terms of project implementation, constitute part WPM of the respective IBs. OM IOP sets basic procedure rules for the given checks to be performed – including core sample documents relating to respective forms of checks.

As part of the analysis, the set-up of the control system on the level of respective Intermediary Bodies (IBs) was evaluated. It was checked whether the forms of control, incl. the content and control sample opted for, epitomize a functional and effective instrument for checking the observance of the applicant's and beneficiary's obligations. Further, the effectiveness and functionality of the control system in relation to bodies participating in the performance checks, was evaluated. The evaluation ensues from both the procedures set for the pursuance of the control activity, and from the application thereof in practice. In case that – due to the phase of realization of intervention area – it was impossible to evaluate the functionality of the control system in practice, potential risks for the functioning and effectiveness of the given system were evaluated. Administrative and physical controls of the *ex-ante* type associated with the selection and approval of the project are evaluated separately – as part of evaluation query No. 12.

In the event that two IBs are engaged in the system of control, a table is posted that identified the distribution of roles of individual IBs. Major findings shown herebelow were made on the basis of an analysis of OM IOP and WPM of respective IBs, as well as on the basis of directed interviews with officials of individual IBs.

The Ministry of Interior

Within the gestion of the Ministry of Interior, altogether 3 intervention areas are part of the IOP. They are as follows: 1.1, 2.1 and 3.4. Upon the implementation areas of intervention 2.1 a 3.4, one more subject moreover participates, namely CRD which – with its engagement in the entire system of administration of relevant intervention areas – is also part of the control system.

Due to the abovementioned engagement, orientation in the process of realization of respective types of control is rather complicated. In an attempt to increase transparency, a table is shown herebelow, indicating what check is being performed – within the framework of abovementioned intervention areas (IA) - by what subject.

As is obvious from the table, in case of IA 1.1, only the MI participates in the pursuit of control activities; in case of IA 2.1 and IA 3.4, competences to perform control are split between Mil and CRD. Taking into consideration all facts listed above, and within the context of the abovementioned uniform procedure to be applied for the evaluation of control processes, the following findings were made in case of the Ministry of Interior:

Table 7: Reviews of project performed by IM within the terms of reference of Mil as IB

Type of control	Form of controly	Subject performing the control	
		IA 1.1	IA 2.1 a 3.4
Ex-ante	Administrative control	MI	CRD
	Monitoring visit	MI	CRD
	Physical control	MI	CRD
	Civil service control	MI	MI
Interim	Administrative control	MI	CRD
	Monitoring visit	MI	CRD
	Physical control	MI	CRD
	Civil service control	MI	MI*
Ex - post	Administrative control	MI	CRD
	Monitoring visit	MI	CRD
	Physical control	MI	CRD
	Civil service control	MI	MI*

*solely based upon negative CRD findings

Major findings:

- IB IM has procedures for the performance of control activities and for reporting inconsistencies, ensuing from OM IOP, set as part of MIP IM documentation. Controls are – within the context of the abovementioned general structure of processes – conducted especially pursuant to Plans of controls (annual, detailed and framework plan of controls), drawn up by an appointed controlling officer, in line with OM IOP. The set processes are within the framework of MIP IM described coherently, in relative detail, and may therefore be evaluated as adequate both in terms of effectiveness and of formal set-up and description.
- Apart from the abovementioned standard procedures, for areas of intervention 2.1 and 3.4, clearly set are moreover procedures intended for the pursuit of controls out of the Plan of controls framework (in case that, as part of a risk analysis, the significance of the impact of a risk equals or exceeds 15 at least in one risk type sub-group). Hence, here too the framework set-up of controls may be evaluated as an asset.
- Though the description of the pursuit of controls (i.e. by who, when, under what terms and conditions, and of what type is a control performed within the framework of a relevant IB) is detailed and lucid, the problem is the comprehensibility of the mutual cohesion of established procedures for Mil, and procedures for CRD determined within the framework of MI-18. From the description of the activities it is unclear when exactly the control is taken over by CRD, and/or by Mil, and which activities are hence performed by which of the bodies engaged.
- Whereas Mil officials participating in implementation IO in general, i.e. including those who perform control activities, fail to dispose of adequate experiences, it may be that insufficient comprehensibility of procedure descriptions impacts the quality and promptness of control activities, namely largely in instances when control of a bigger amount of projects is required to be made in one go, as currently is the case of area 2.1.
- The problem was, in a way, partially resolved through the engagement of CRD whose officials have – contrary to Mil officers – long-term experience with the implementation of control activities. However, CRD is not a body

authorized to perform civil service control; hence, quite a bulk of activities still remains that as supposed to be conducted by Mil.

- Great attention ought to be paid to the fine-tuning of the system of control so that controversial issues are resolved as soon as possible, and that problems with controls performed in poor quality could be avoided.

Summary/response to the evaluation query:

- The set-up of the system of control within relevant documentations is perceived - by the evaluator - as sufficient. However, the implementation of relevant areas has not yet reached a stage in which it could be plainly stated that the set system will not feature unclarities or problems that are not identified until upon the realization of respective activities. An exception here is intervention area 2.1 (CzechPOINT), with an implementation having reached accounting of deposits of 4,500 projects. That, however, is a fairly specific area, both in terms of the number of projects and the subsequent amount of necessary controls, due to which officials performing the control activities – in the great numbers and short span of time – were particularly facing the problem of meeting deadlines. Guessing from this specific intervention area, it may fairly difficult to evaluate whether the system as such is going to work in practical terms.

Health Ministry (HM)

Major findings:

- The system of controls set within OM IB GG MZ is classified as a consistent instrument for the control of observance of the beneficiary's obligations, and the evaluator did not come across any serious findings. The IB has set procedures for pursuance of project control activities, and for reporting inconsistencies, that are respected by OM IOP. The procedures for pursuance of controls are tightly interrelated, and a clearly established causality of respective types of control takes place – including cohesion to the risk analysis of the projects concerned. Within the framework of respective controls, actively worked is with the risk exposure factor of relevant projects, meaning that – in case of enhanced risk exposure of a project, mechanisms of control are employed that check the risk. The system of performed controls of beneficiary's obligations to be met builds on best practice performed within the previous planning periods.
- Further to practical expertise, EF/4 and EF/3 officials consider the given system of controls fully functional and sufficiently effective in terms of checking the fulfillment of obligations on the part of the beneficiary. From the perspective of the evaluator, the set system of controls may be evaluated as sufficient and effective in terms of ensuring the fulfillment of the beneficiaries' obligations. Health Ministry officials pursuing checks of projects are considered to dispose of sufficient expert savvy; the only thing posing a risk is the number of officials performing controls which – at the moment – appears to be insufficient. The situation is currently being tackled by EFD and new members of staff are planned to join.

Summary/response to the evaluation query:

- Based on the analysis carried out in intervention area 3.2, it may be stated that the set system of controls is functional and will ensure in a sufficient way the control on observance of the beneficiary's obligations on the part of IB HM. The risk in terms of efficient pursuance of controls on observance of beneficiary's obligations are seen – by the evaluator – in the lower number of officials in the department performing controls (EF4).

Ministry of Labor and Social Affairs (MLSA)

The guarantor for the pursuit of project controls conducted in intervention areas 3.1 and 3.3 is MLSA - in cooperation with CRD - carrying out all types of controls (other than civil service control). Procedures for controls are closely inter-related with the procedures regulating procedures, guarantees and deadlines for carrying out the project risk analysis, and the fulfillment of the established sample.

Table 8 – Reviews of project performed by CRD within the terms of reference of CRD as IB

Type of control	Form of control	Subject performing the control	
		IB CRD	MLSA
Ex-ante	Administrative control	x	–
	Monitoring visit	x	
	Physical control	x	–
	Civil service control		x
Interim	Administrative control	x	–
	Monitoring visit	x	–
	Physical control	x	–
	Civil service control		x
Ex - post	Administrative control	x	–
	Monitoring visit	x	–
	Physical control	x	–

Major findings:

- The instrument for the control of observance of beneficiary’s obligations is the set system of checks, specified within the frameworks of PPP MLSA and MP18. Participating on the realization of project checks are MLSA and CRD, and their roles in the given system were clearly separated. By the evaluator, the system of checks of obligations on the part of CRD and MLSA was found to epitomize a sufficient instrument for ensuring control over the fulfillment of terms and conditions set forth in the Decision on the provision of a subsidy. The set system of checks respects the requirements of OM IOP and of the engagement of CRD (a subject with high-quality expertise in the area of project controlling) is evaluated as positive, though identified were certain risks of ineffectiveness of the engagement concerned.
- Analyzed **procedures of respective reviews** are not – largely due to the cohesion of MP18 and PPP MLSA documents – described lucidly enough; orientation therein is – at places – rather a bit more convoluted.
- The instrument for reviews management is epitomized by **annual and monthly review plan . The preparation of CRD and MLSA review plans proceeds separately.** Within the framework of PPP MLSA and MP18, set is the obligation of mutual coordination of CRD and MLSA review plans. In practical terms, respective review plans are shared by collaborating bodies (CRD and MLSA), and a system of review plans coordination is in place.
- For each of the intervention areas separately (for support areas 3.1, and 3.3) fixed and monitored is a sample of public reviews and of physical checks on the spot. The need to conduct a physical check or a public review may moreover ensue from an interim risk analysis, a financial or administrative control. By the evaluator, the procedure is viewed as effective and optimal in terms of ensuring control over the fulfillment of beneficiary obligations.
- As part of evaluation of the **forms of control** opted for (with regard to the moment of realization thereof, their content and selected inspection sample) seen by the evaluator as a positive factor is the inspection of a 100% sample of 3.1a projects done through communal authorities. In that regard, insufficient, the failure to set an analogous approach towards the review of projects within IO 3.3. framework, is seen.
- Inspection procedures moreover focus on a timely identification of potential problems and wrongdoings occurring in **public order placements.** CRD has elaborated respective control sheets applicable for respective types of tender

proceedings as well as for the respective intervention areas. Whereas PPP MLSA sets the condition that all tender proceedings are supposed to take place prior to issuance of the Decision on the provision of a subsidy/Cost determination of financing projects run by OES⁷, the said point of implementation may be considered as a risk, particularly in view of the length of the review process in case of an erroneously set – level partial – tender proceedings.

- PPP MLSA and MI-18 invariably contain information on activities to be performed in case that the project develops in a negative way or in case that the risk exposure thereof increases. In such case, CRD notifies MLSA, and – if deemed applicable – reports suspicion on inconsistency to MLSA. MLSA in collaboration with CRD continue to be responsible for the inquiry of such suspicion on inconsistency.
- Despite the fact that – in terms of the phase of realization of intervention areas 3.1 and 3.3 – it is impossible to evaluate the inspection system's functionality in a practical set-up, and notwithstanding a certain unclarity in descriptions of procedures within the framework of PPP MLSA and MI-18, it may be stated that the **set system of checks does provide for the observance of obligations of respective subsidy beneficiaries.**
- **Despite the defined benefit of CRD engagement in the system of checks of IA 3.1 and 3.3, certain processual inefficiencies – ensuing from the said model – need to be specified:**
 - The performance of activities entrusted to CRD as part of IA 3.1 and 3.3 processes, failed to be transferred to CRD with a full degree of responsibility for the output, and powers. The cause here rests in legislation – CRD namely is not the provider of the subsidy.
 - Communication of P-CRD with MLSA invariably taking place via HQ CRD is considered to constitute a risk point in terms of procedure effectiveness, largely in view of meeting the deadlines set for the respective activities. In general, however, communication between CRD and MLSA proceeds trouble-free and smoothly; work is in progress on improving the communications platform between implementation bodies.

Summary/response to the evaluation query:

- Despite the fact that – in terms of the phase of realization of intervention areas 3.1 and 3.3 – it is impossible to evaluate the inspection system's functionality in a practical set-up, the set system of checks may be classified as effective and efficient, i.e. a system providing sufficiently for the surveillance of obligations of respective subsidy beneficiaries. Procedures for the checks are closely inter-related, with a clearly set liaison, relationship and conditionality of respective types of checks being in place, including inter-relatedness with a project risk analysis. The engagement of IB CRD in the system of checks is seen – by the evaluator – as worthwhile in terms of expert capacities, though less effective in terms of processual effectiveness of the auditing process.

Ministry of Culture (MC)

Major findings:

- The IB has set procedures for the pursuit of project auditing as well as for reporting insufficiencies that are respected by OM IOP. As a drawback, the comprehensibility of procedures for the pursuit of auditing may be seen in respect of cohesion of respective activities associated with the exercise of reviews (administrative audit of the project risk analysis – monitoring visit – public control). That fact may have an impact upon the quality and promptness of the pursuit of control activities owing to the fact that IB MC officials fail to dispose of sufficient

⁷ i.e. *Organizational Elements of the State*

expertise in conducting control activities (namely both in the area of SF, and in general), i.e. do not dispose of auditing procedures established in practice.

- As far as the evaluation of **forms of control** opted for (in terms of the moment of realization thereof, the content and chosen control sample thereof) the evaluator finds the pursuit of ex-ante monitoring visits ineffective in case of a 100% sample of projects. To this effect, the content of the monitoring visit is identical with that of the risk analysis, i.e. the controlling subject verifies all facts that had already been checked, or rather had exceeded the defined tolerable level of the project's risk rate. In that way, what rather is realized, is a not quite effective dual check carried out in a 100% sample of projects.
- As a risk factor in terms of ensuring a sufficient control over the observance of beneficiaries' obligations, identified by the evaluator was a low number of physical controls realized – relative to the financial volume of projects pending project implementation - pursuant to Art. 13 of the implementation provisions. According to the evaluator, such form of control fails to comply with the definition of controls in the sense of Art. 13 of the implementation provisions (as well as the physical control definition in the sense of Art. 13, as stipulated in by OM IOP). Moreover, no clear rules ensue from OM IB MC for the frequency of monitoring visits. In face of the average financial amount of the project, the evaluator classifies the realization of physical controls as per Art. 13 of the implementation provisions in case of a 100% sample of projects, performed just once within project implementation, as insufficient.
- In terms of safeguarding the pursuance of quality controls, insufficient experience of IDPM and of IDFM with control activities, and particularly with executing public controls on the spot, may be classified as a problem. Even though an IACS official does dispose of the said experience, the issue of expertise in the area of controlling is still seen – by the evaluator – as a risk in terms of conducting quality controls in reference to the unsecured substitutability of the IACS officer. As controversial, moreover the fact is seen by the evaluator that the working position concerned was filled in January 2010.
- Bearing in mind the assumed number of realized projects, the financial amount thereof, and the set sample of checks, as also insufficient may be classified the staffing of control activities (and particularly of physical controls) in terms of capacities available (3 IDPM officials, 3 IDFM officials, 1 IACS official). IB MC assumed to utilize external experts. In relation to that fact, the evaluator views as problematic the absence of an experts database, making it possible for IB MC to flexibly respond to the needs, if arising, of ensuring expert evaluation of a project when performing a review (see also evaluation query No. 12).
- In intervention area 5.1, based upon the analysis performed, the evaluator states the existence of risks that might impact upon the functionality of the control system; in consequence, those risks may get negatively reflected in the quality of the pursuit of control as well as in enforcement - on the part of IB MC - of the beneficiary's obligations. It concerns the low level of understandability of procedures set for the pursuit of controlling, distribution of responsibility for the pursuit of controlling between IB MC, and the body standing out of IB MC structure, and of insufficiently ensured human resources in terms of expertness in both the area of control and of capacities. Another risk is found – by the evaluator – in the low number of physical checks performed in the sense of Art. 13 of implementation provisions in the phase of project realization (interim type of controls), namely relative to the financial volume of the projects. As far as effectiveness of controlling is concerned, the evaluator finds kind of inappropriate the current sample of projects for the pursuit of ex-ante monitoring visits.

Center of Regional Development

The guarantor of the pursuit of project controlling in v intervention areas 4.1, 5.2 and 5.3 is CRD, carrying out all types of controls (other than public control). The system of controls executed builds on the best practice performed by CORP and is fairly detailed. Physical checks are not performed within the public regime – that is executed by MA. Controlling procedures are closely interlinked with procedures regulating procedures, guarantees ad deadlines for performing a risk analysis of the project.

Table 9 – Reviews of projects performed by CRD within the terms of reference of CRD as IB

Type of control	Form of control	Subject performing the control	
		IB CRD	IOP MA
Ex-ante	Administrative control	x	-
	Monitoring visit	x	-
	Physical control	x	-
	Civil service control		X
Interim	Administrative control	x	-
	Monitoring visit	x	-
	Physical control	x	-
	Civil service control		X
Ex-post	Administrative control	x	-
	Monitoring visit	x	-
	Physical control	x	-

Major findings:

- **In the documentation** (both that of OM IOP, and that of MI-18) analyzed **procedures are not described very lucidly, and orientation therein is – at times – rather convoluted** (that particularly applies to information on respective types of control, set out on multiple places in the two documents mentioned above).
- However, despite a certain unclarity in descriptions of procedures within OM IOP and MI-18, and minor deficiencies, it may be stated that the **set system of controls provides for ensuring the observance of obligations of respective beneficiaries of subsidies**, also largely due to the fact that a risk analysis is consistently performed – associated with the potential realization of controls with the aim to avoid problems in implementation of projects, to ensure a continuous drawing of financial means, and to fulfill IOP targets. Contributing thereto is moreover the fact that – within the said area – CRD disposes of long-term experiences and an abundance of expert capacities.
- **Engagement and cooperation of respective bodies involved in respective phases and types of controls** may be evaluated as less effective. Even though a distinct specification of roles and powers took place for respective

activities within the administration process, several potential problem areas are clearly apparent in the set implementation model – see MLSA below.

Summary/response to the evaluation query:

- In pursuit of making information on the advancement of preparation, realization, and functioning of projects within the program, and with the aim of creating an instrument for a timely identification and an effective management of risks associated with the fulfillment of the $n+3/n+2$ rule and with the fulfillment of program indicators, an effective and efficient system of controls is set within the IB, ensuring surveillance above the obligations of respective beneficiaries of support. Procedures for the checks are closely inter-related, with a clearly set liaison, relationship and conditionality of respective types of checks being in place, including inter-relatedness with a project risk analysis. Also, IB CRD disposes of a sufficient number of expert capacities and makes use of experiences gained over the many years of performing its activities. No serious findings were made by the evaluator. As a minor risk (classified as a result of an analysis as not directly jeopardizing a regular implementation of IOP, yet having quite an impact upon the effectiveness of respective activities), the evaluator identifies the lack of CRD powers in performing certain activities, as well as the fact that more than one subject are involved in the project.

Query No. 9 (Evaluation level - IB): Does the Managing Authority and Intermediary Bodies provide applicants/beneficiaries with sufficient methodology support during of the entire life cycle of the project?

Interior Ministry

Introduction:

The instruments for the provision of methodology support to applicants and beneficiaries in intervention areas 1.1., 2.1, and 3.4 ensue from **OM IM or - if you like – from IOP Communication plan and IM Communication plan**. In this respect, the OM is relatively of general character, and specifies only what core information a CoP must comprise. As a result, communication plans (CoPs) of respective engaged bodies (i.e. MLD, IM and CRD) are relatively different, and that causes problems in terms of coordination.

Pursuant to the provision of methodology support, in line with the abovementioned documents, utilized are the following instruments:

- Telephone and email consultations
- www.IMcr.cz websites
- www.structurelni-fondy.cz/iop_websites
- Seminars for applicants and beneficiaries
- Manuals and methodology books for applicants and beneficiaries.

Within the context of the abovementioned, the analysis of provision of methodology support from IB IM to applicants and beneficiaries, focuses on:

- embedding of the instruments of methodology support in IB IM documentation,
- evaluation of appropriateness of the given instruments, of their effectiveness a functionality in relation to relevant target groups,

- the utilization of the given instruments in the phase of project preparation and realization.

The findings listed herebelow are based on analyses of procedures listed in MIP IM, carried out using the desk-research method. Relating the said topic, directed interviews were conducted with DSF IM officials, plus a questionnaire inquiry among applicants and beneficiaries from invitations to tender taking place so far. In the questionnaire inquiry, addressed were 39 applicants identified on the basis of IS MONIT data (16 applicants in IA 1.1; 15 applicants in IA 2.1 and 8 applicants in IA 3.4). The bodies were selected in a way providing for each type of applicant that might possibly be applying within the given intervention area, to be represented. The return rate of questionnaires may be marked as rather low. Filled in questionnaires were only sent back by 10 respondents, of which 4 were in IA 1.1, 3 in IA 2.1, and 3 in IA 3.4. Though the predictable value of the sample cannot be classified as fully sufficient, the results of the inquiry are listed as part of major findings.

Major findings:

- During the interviews it was identified that on the level of IM there was – for a lengthy period of time – **a problem with appointing a person responsible for responding to applicants' queries of technical/expert character** (particularly for intervention area 2.1). Formally, the system is set in such a way that IB only responds to queries to do with the subsidy application administration. As for expert queries on concerning the technical realization of the project and registration of new CzechPOINT worksites, responsible is the expert project guarantor within the IM. That of course requires a **significantly higher coordination** which however is not fine-tuned (the reason partially being the fact that the system has only been in place for a short time). So, applicants often get from IB officials IB scattered or incomplete information; as a result, quite often alterations need to be made in projects (alterations in projects were not caused by the split of competencies for communication with applicants and beneficiaries). All that naturally has an impact on both the quality and promptness of the project administration process.
- The evaluator considers essential that – particularly in terms of the future – these issues were resolved well ahead of the announcement of a relevant call for competition, so that – as early as on the call itself – the name of a concrete name of an official responsible for responding technical queries be given. A good instrument of coordination might be CoP IB IM and CoP CRD, or possibly the fact that IB is obliged to submit the documentation for the call directly to MA for approval. Hence, here MA has an instrument to ensure coordination.
- **The communication official of IB only carried out quantitative monitoring** of information and communication activities, monitors the fulfillment of values of communication activities set in ACoP IM, however rather in terms of the formal fulfillment of CoP. **Qualitative monitoring is solely conducted by MA**; the IM communication officer cooperates on activities associated with qualitative monitoring in case that so required by MA. It might be reasonable that IB officials carry out at least partial qualitative evaluations that would consecutively be taken into account in forthcoming calls for competition.
- **Provision of methodology support through manuals and methodology books** is ensured solely through issuance of Manuals for applicants and beneficiaries, applicable for the respective call for competition. By applicants (i.e. particularly communities in case of a call on CzechPOINT) the documentation is considered to be too voluminous; as a result, it is quite difficult to get a quick orientation therein and find the information sought for. So, instead of reading the documentation, applicants prefer to opt for a consultation over the phone. Here again, we have to do with a fairly specific situation, given in its greater part by the fact that quite a lot of applicants would come from smaller towns lacking a sufficient number of officials. Not everywhere were municipalities on a higher administrative level, or possibly regions, prodded to give a helping hand to the municipalities in their districts. The evaluator has the feeling that the problem cannot be resolved through whittling down the documentation; rather, more distinctive highlighting of essential points, and improved communication such as, e.g., through running seminars on the most elementary level, might be a way.

- **From the questionnaire inquiry it ensues** that communication instruments within BDP phase of a project are evaluated more positively than BPC phase instruments. Moreover, most projects are at the very start of their realization; as a result, in many cases, respondents were unable to express their opinion. The negative evaluation of information relating project implementation may moreover be impacted by the fact that IB gain experience and identify responses to queries that are repetitive. To improve orientation, it might be reasonable to come up with one website that would be used for the entire program – to give the applicant a precise instruction on where to look up the FaQ, thus taking away – from IB – the burden of having to answer unnecessary queries. For the said purpose, set up was the web Egoncentrum, where queries of technical character were answered by an expert administrator’s department. However, communication between the expert administrator’s department and DSF was not efficient enough, and so the newly established instrument failed to fulfill its function sufficiently.
- According to the questionnaire inquiry, as the most frequent modes of **acquiring information for project preparation**, telephone/email consultations and web sites (i.e. both www.structurelni-fondy.cz, and www.IMcr.cz) were opted for; conversely, the least utilized source of information was personal consultation. The point here however is that the limited number of officials engaged in CzechPOINT project was unable to cover communication with all applicants. That caused negative response on the side of some applicants who failed to get through to IM due to overloaded phone lines.
- **The quality, content and time criterion of information provided within the phase of project preparation are evaluated positively in the questionnaire inquiry.** Hard-boiled awareness of officials is nonetheless perceived differently – according to the respective intervention areas within the gestion of IM. Least satisfied with the quality of IB officials’savvy were applicants in case of CzechPOINT. That case has to do with the abovementioned problem of the specification of a sufficient number of IM officials capable of responding technical queries. The content, quality and promptness of responses provided by DSF officials would quite often rather than solely on the qualifications thereof depend - given the insufficient experience of IB officials – on the promptness with which it a correct response could be verified at IOP MA, to which IB officials would turn to in case of unclarities. In general, due to an enormous number of applications and the very specific target group, the issue of CzechPOINTs is fairly specific and cannot be perceived as a standard case.
- **Seminars and training schemes** are used by applicants as a way to obtain largely basic information. They do not constitute a key source of information. Seminars are run - with the help of external companies - on a continual basis – depending on the announcement of a call for competition. Whereas the majority of projects are in their initial phase of realization, so far no seminars addressing the issue relating the EPC phase have been run. For the time being, beneficiaries are tackling the given agenda on appropriate bases.
- From the survey it moreover emerged that **the matter-of-fact savvy of IB officials** in the EPC phase, when compared to BDP phase of a project, is considered to be worse. That however is a fact that most likely again is associated with the fact that a lot of problems were new, with the resolution thereof having only settled after some time. As a result, initial problems would occur. Here again the assumption applies that a lesson needs to be taken from the said experience.
- Another insufficiency identified in the area of provision of support to applicants and beneficiaries is a **huge fragmentation of information available on different public administration portals.** To improve lucidity, the r evaluator’s recommendation is to post on one website (either directly, or in the form of references) a complete documentation relating to a relevant call for competition, i.e. not merely the text of the call for competition plus the Manual for applicants and beneficiaries, but also, e.g., a Manual for filling out the Benefit, a methodology manual of eligible costs, and suchlike. Therewith, situations will be avoided wherein the applicant/beneficiary is unsure of which documents are relevant for the given call for competition, and need therefore to be abided by.
- As a positive step in the provision of methodology, the evaluator considers the launch of a new web portal of the Department of Structural Funds of the Interior Ministry, intended to serve as a basic communication instrument of DSF towards potential applicants, applicants and beneficiaries within 1 and 2 priority axes, and towards

intervention area 3.4 of the Integrated Operating Program (IOP). The structure thereof is user-friendly and hence makes it possible for the applicants to quickly find the required information. Moreover, fairly positively may be evaluated the currently launched projects of external technical assistance to applicants, realized through the use of projects of technical assistance, within the framework of which the selected vendor will provide in areas 2.1 and 3.4 long-term support to applicants including preparation of model projects, and including all annexes. The said procedure may be – *inter alia* in relation to the fact that in the following calls for competition presented will largely be bigger systems projects – evaluated as one of the best possible ways of methodology support provided to applicants, and as such it may be recommended even to other IB within the IOP framework.

Summary/response to the evaluation query:

- The heretofore offer of instruments of methodology support of applicants a beneficiaries is on the part of beneficiaries evaluated as sufficient. What the evaluator is missing is a greater methodology support of applicants in the project development phase so that the number of queries occurring after the announcement of the call for competition falls to a minimum.
- Moreover, the provision of methodology support as such is - due to the lack of experience on the side of officials who actually provide methodology support to applicants and beneficiaries, and due to the analysis of functioning of respective instruments in practical terms, problematic and often uncoordinated.
- A marked positive shift may be seen in the launch of a new central IM information portal IM, as well as in the current commitment to utilize TA funds for targeted concrete methodological assistance going particularly to applicants who prepare bigger systems projects.

Health Ministry (HM)

Introduction:

The instruments for the provision of methodology support to applicants and beneficiaries from IB HM in intervention area 3.2 ensue from **Communication plans of IOP, Annual communication plans of IB HM**, and OM IB GG HM. Utilized in the process of provision of methodology assistance are – in accordance with the abovementioned documents - the following communication instruments:

- www.mzd.cz websites
- www.structureni-fondy.cz/iop websites
- personal, phone, and email communication
- seminars for applicants and beneficiaries
- manuals and methodology books for applicants and beneficiaries.

Responsible for communication with applicants and beneficiaries in preparation phase of project is EF/2; in realization phase, responsible is first and foremost EF/4 in cooperation with EF/3. The analysis of methodology support provided by IB HM to applicants and beneficiaries in intervention area 3.2 focuses on:

- Embedding the instruments of methodology support in the communication strategy of IB HM;
- evaluation of appropriateness of the given instruments, the effectiveness a functionality thereof in terms of target groups;
- utilization of the given instruments in preparation and realization phases of the project.

Findings set out herebelow were made on the basis of analyses of procedures listed in OM IB GG HM, and of documents relating IB HM communication strategy (Annual CoP IB HM 2009), using the desk-research method. Directed interviews on the given topic were conducted with EF/1, EF/2, and EF/4 officials (i.e. a total of 3 interviews) and a questionnaire survey was made among applicants and beneficiaries of the First call. In the questionnaire, 24 applicants were addressed. The questionnaire return rate may be marked as rather low. Filled in questionnaires were returned by 9 respondents. Though the information value of the sample concerned may therefore not be classified as fully up to the mark, the results of the inquiry are listed as part of the key findings.

Major findings:

- **Both the listing and orientation of HM communication instruments** for the provision of methodology support to GG applicants and beneficiaries, ensuing from CoP IB HM 2009, may be viewed as an optimal and sufficient instrument of methodology support of GG applicants and beneficiaries. **According to the evaluator, GG communication instruments are not targeted sufficiently** on the respective target groups that are specified within the GG framework. In practice, the most frequent mode of provision of methodology support are phone and email consultations, realized by respective project managers responsible for the provision of methodology support in the given phase of the project (i.e. EF/2 and EF/4).
- IB HM has set a **system of evaluation of communication instruments**. The evaluation largely focuses on quantity. As for the quality evaluation of communication instruments, it is - on the part of IB HM - realized in the form of evaluation questionnaires distributed on relevant seminars. Outputs from these quality surveys are used to increase communication effectiveness and to better focus the communication with applicants and beneficiaries.
- Based on the analysis of relevant instruments of HM methodology support, and on the questionnaire inquiry realized among the subsidy beneficiaries, it may be claimed that both the quality and content of respective **communication instruments are optimal, providing applicants and beneficiaries with ample information needed for the preparation and realization of projects**.
- **www.mzd.cz web sites may be seen as a functional and effective instrument of methodology support** comprising all information necessary for the preparation and realization of projects within GG framework. By the evaluator, www.mzd.cz web sites are classified as a quality instrument of methodology assistance provided to applicants and beneficiaries. **www.structurelni-fondy.cz/lop sites** are considered to be rather a supplementary instrument of methodology support provided to applicants. Information posted herein is - rather than serving as vital instrument of methodology support of applicants - intended to improve orientation in SF agenda.
- **Accomplished seminars** are largely used in the period of the call being announced, and subsequently after the approval of the projects by the tender commission (seminar for beneficiaries). Guessing as per presentation available, the said seminars may be viewed as a fairly useful instrument in terms of applicants/beneficiaries. Content-wise, apart from information on the conditions of respective calls and project application, seminars were devoted to topics identified as potential problems (i.e. public service/supply contracts, public support, etc.). The frequency of seminars - in relation to launching time limited calls - is sufficient. Depending on the approval of projects by the selective commission, seminars for beneficiaries are held.
- **The provision of methodology support to applicants and beneficiaries through manuals and methodology books** is ensured through issuance of Applicants' and beneficiaries' manuals for relevant calls. According to the evaluator, the quality of AM is classified as optimal a sufficiently detailed for the preparation and realization of projects.
- In terms of information provision quality, in the phase of project preparation and realization, IB HM methodology support is evaluated - by respondents of the questionnaire inquiry - as sufficient (grade 2). Whilst officials' matter-of-fact savvy is in both stages as sufficient (grade 2), their willingness is assessed as excellent (grade 1); understandability of the given information was assessed - in project preparation phase - as sufficient (grade 2) and in project realization phase as excellent (grade 1). Information provision promptness is classified by respondents

as rather sufficient – relative to the character of information required. As more problematic areas of methodology support, earmarked were the area of public procurement and the specification of instrumentation standards.

Summary/response to the evaluation query:

- Based on the analysis of respective instruments of methodology support from HM, as well as on the basis of the questionnaire inquiry conducted among applicants and beneficiaries of support, the methodology support provided by IB HM officials to respective applicants and beneficiaries may be classified as optimal. The evaluation was realized taking into account both the quality of communication instruments (i.e. largely of realized seminars that were assessed fairly positively by respective respondents to the questionnaire inquiry) and the realization of quality evaluation of communication instruments applied.

Ministry of Labor and Social Affairs (MLSA)

Introduction:

The IB MLSA modifies its communication strategy towards applicants and beneficiaries, relating to intervention areas 3.1 and 3.3 within the **Communication plan of IB (hereinafter only: "CoP IB MLSA")**. The CoP IB MLSA is largely oriented upon the provision of methodology support whilst ensuring the realization of successful projects through the provision of sufficient, quality and timely information to applicants and beneficiaries. Among the main instruments of methodology assistance ensuing from CoP IB MLSA, the following have their place:

- www.mpsv.cz and www.structurelni-fondy.cz web sites;
- seminars and training sessions run for applicants and potential beneficiaries;
- personal, written, phone and email communication;
- publication activities - Manual for applicants and beneficiaries 3.1 a 3.3.

Responsible for communications with applicants in the phase of project preparation is IB 22 in intervention area 3.1, and IB 45 in intervention area 3.3. Methodology support of applicants currently takes place in cooperation with CRD. Responsible for communications with beneficiaries in the phase of project realization is IB 62 in cooperation with CRD. The analysis of the provision of methodology support on the part of IB MLSA to applicants and beneficiaries in intervention areas 3.1 and 3.3 focuses on:

- Embedding the instruments of methodology support in the communication strategy of IB MLSA;
- evaluation of suitability of the given instruments, of their effectiveness and functionality relative to target groups;
- utilization of the given instruments in project preparation and realization phase.

The findings revealed herebelow were on the basis of analyses of procedures listed in OM IB MLSA and in documents relating to IB MLSA communication strategy (Annual CoP IB MLSA 2008, 2009) performed using the desk-research method. On the given topics, directed interviews with officials of IB 45, IB 62, and IB 22, were conducted (altogether 3 interviews) and a questionnaire survey was run among applicants and beneficiaries. In the questionnaire inquiry, addressed were altogether 29 applicants (25 applicants from intervention area 3.1, and 4 applicants in intervention area 3.3). The filled in questionnaire was returned by 6 respondents; moreover, 3 phone calls were made with

applicants. Though the information value of the inquiry concerned is relatively low, insights gained in the said are present in the content of the key findings.

Major findings:

- Both the list and orientation of the instruments intended for the provision of methodology support to applicants and beneficiaries are specified within the framework of **Communication plan of the IB**, including a partial specification available in PPP MLSA. The communication strategy of IB MLSA may be considered sufficient even in terms of limiting budget of CoP IB MLSA. The subsequent realization of instruments of methodology support to applicants and beneficiaries within the relevant phases of projects is fairly limiting. Notwithstanding all these facts, the list of instruments in place for the provision of methodology support and the orientation thereof on the respective target groups may be evaluated as sufficient for the pursuit of effective communication with applicants and beneficiaries within the different project phases.
- Due to the financial means of CoP MLSA, as the **main instrument of methodology support to applicants and beneficiaries, considered are email, phone and personal communication**. Within the respective areas of intervention, a common email website was established. As part of realized methodology support provided to applicants, **active cooperation with CRD takes place**. The CRD responds queries relating technicalities of filling in Benefit 7. Though, by the evaluator, the split of these competencies between 2 independent bodies was identified as risky, respective officials view the said mode of communication as trouble-free; that got to quite an extent confirmed even within the framework of the questionnaire inquiry performed. Given the emergence of the methodology manual for handling the Benefit – Instructions for filling out B7, and thanks to cooperation of CRD and MLSA, applicants consider the methodology assistance in the area of Benefit 7 sufficient.
- As a way of ensuring quality and homogeneity of methodology interpretations of respective received **queries are registered on a shared disc** that at the same time serves as an effective instrument for unification of work procedures and interpretations among officials MLSA. Most frequently used queries are then listed on MLSA web sites.
- Another instrument of methodology support for applicants is that of www.mpsv.cz and www.strukturální-fondy.cz websites. The quality and content of information posted on the said websites may be classified as sufficient (websites comprise the text of the call, MARFA, contact on officials, responses to most frequently asked queries, dates of selection committees and instructions highlighting alterations and adjustments of calls). Though in terms of project preparation and realization, the content information is sufficient, in the evaluator's opinion, it is not detailed enough, and fails to contain methodology guidance and more detailed procedures, model schedules, etc. Despite the aforementioned, the said websites are evaluated as a sufficient and functional instrument of communication. Whereas the realization of projects is only commencing, the content of the websites will continue to spread in line with the beneficiaries' demand for information relating the realization of projects. From the questionnaire inquiry it follows that – by applicants and beneficiaries – the least opted for source of information is that of www.strukturální-fondy.cz.
- **Seminars** are run by MLSA officials largely in case of new calls being announced, and subsequently upon the start of realization of new projects. In terms of the number of seminars run (4 for 3.1 and 3 for 3.3), the said instrument may be considered sufficient and functional (seminars are moreover held even out of CoP MLSA). Generally, seminars run within the framework of CoP MLSA can be evaluated as a standard instrument of methodology support provided to applicants; such instrument provides the applicant with primary information on options of financing projects from within intervention areas 3.1 and 3.3. With the narrow circle of applicants in intervention area 3.3, work meetings with applicants of the given intervention area take place. The said mode of methodology assistance is – on the part of applicants and on the part of the evaluator classified as a highly effective instrument of methodology assistance within the framework of project preparation.

- **The quality of the Manual for applicants and beneficiaries** for the so far announced calls is – as an instrument of methodology support – optimal. Both the applicant and beneficiary will find necessary information in a complete form in it. By respondents, the quality and content of the Manual are found sufficient both in terms of the project preparation and project implementation phases.
- In terms of the questionnaire inquiry, the evaluator can state that **communication and methodology instruments realized in the preparation phase of projects, are evaluated positively** by applicants/beneficiaries; instruments realized within the implementation phase of projects are evaluated rather positively. The most frequent way of obtaining information necessary for the preparation of projects was consulting matters via e-mail or telephone. The least used source of information were seminars and www.strukturální-fondy.cz websites. In terms of quality of provided information, the support of IB MLSA is classified - by questionnaire inquiry respondents – in the stage of project preparation; in the phase of project implementation, it was invariably evaluated as sufficient (Grade 2). While in project preparation phase, officials' matter-of-fact savvy is classified as excellent (Grade 1), in project implementation phase it is evaluated as sufficient (Grade 2). The willingness of officials is assessed as excellent (grade 1); understandability of the given information was assessed - in both the project preparation and implementation phase - as excellent (Grade 1). Information provision promptness is classified by respondents as rather sufficient, particularly in the implementation phase, the length of period needed for obtaining information tends to extend. . Largely due to frequent changes of the call terms and conditions in area 3.3, the quality and content of methodology interpretation of IB MLSA cannot be regarded as professional, despite the fact that – by IA 3.1 respondents – the methodology approach of IB 22 was evaluated very positively.

Summary/response to the evaluation query:

- Both the embedding and a targeting of the instruments of methodology support of IB MLSA within the framework of communication strategy may be viewed as sufficient. In terms of the performed analysis of functioning of respective instruments in practice, the provision of methodology support - to applicants and beneficiaries - by IB MLSA staff may be classified as sufficient. due to frequent changes in area 3.3, methodology support cannot be classified as highly professional, despite the fact that the willingness and understandability of provided information are evaluated as excellent . Cooperation with CRR in terms of methodology support is fully functional and effective.

Ministry of Culture (MC)

Introduction:

Instruments for the provision of methodology support to applicants and beneficiaries on the part of IB MC v intervention area 5.1 ensue from IOP **Communication plan, Annual communication plans of IB MC and OM IB MC** (incl. Annex No. 3 of part A of Communication within the Intermediary Body of the Ministry of Culture of CR). Upon the provision of methodology, inline with abovementioned documents, the following communication instruments are made used of:

- Telephone and email correspondence;
- Culture – Europe Information portal;
- www.structurelni-fondy.cz/iop websites;
- seminars for applicants and beneficiaries;
- manuals and methodology books for applicants and beneficiaries.

The documents do not specify the utilization of respective instruments during the life cycle of the project. Responsible for communication with applicants and beneficiaries both in preparation and implementation phase of the project is IDPM.

An analysis of the provision of methodology support by IB MC to applicants and beneficiaries within intervention area 5.1 focuses on assessing the suitability of the given instruments, the effectiveness and functionality thereof relative to the target groups and the utilization thereof in the phase preparation and realization of the project. The analysis invariably deals with the assessment of embedding the instruments of methodology support within the communication strategy of IB MC.

The finding posted herebelow was made on the basis of analyses of procedures listed in OM IB MC and the documents relating to the communication strategy of IB MC (CoP IOP; Annual CoP IOP 2008, 2009; Annual CoP IB MC 2008, 2009) performed using desk-research method. To the said topic, directed interviews with IMD and IDPM officials were performed (altogether 2 interviews) and a questionnaire survey was conducted among applicants and beneficiaries of the First call. In the questionnaire inquiry, addressed were 10 applicants (5 applicants with an approved project, 5 applicants with a rejected application for a subsidy). The return rate of the questionnaires can be marked as rather low. A filled in questionnaire was sent in by 4 respondents; of these, 1 was an applicant of an unsuccessful project, 1 was an applicant of an approved project that is not in the implementation phase yet, and 2 were applicants (or rather beneficiaries) of approved projects in the phase of realization. Therefore, the information value cannot be classified as fully sufficient; nonetheless, the results of the inquiry are posted within the framework of key findings.

Major findings:

- The list and orientation of the instruments for the provision of methodology support to applicants and beneficiaries are shown in multiple documents (see above). Information in the documents lacks uniformity, none of the given documents contains a complete list of instruments with a definition of target groups and placement in the preparatory and implementation phases of the project. According to the evaluator, the **communication strategy (or rather the written form thereof) is found incomplete, and the methodology support within the given strategy is found unclearly embedded**. The IB MC has established a system of evaluation of communication instruments that nonetheless is oriented quantity-wise rather than quality-wise. Moreover, uninsured is feedback on the part of target groups. Hence, IB MC is lacking information on the effectiveness level and on the quality of respective instruments used within methodology support of applicants and beneficiaries.
- **Even though the evaluator identified deficiencies in the processed communication strategy (i.e. in the written embedding thereof), based on the performed analysis of the use of instruments of methodology support in practical terms may be classified as functional and effective**. As the most effective instrument for the provision of methodology support to applicants and beneficiaries both in the preparation and realization phase of a project, the non-public part of the **kultura-evropa.eu** information portal was assessed by both the evaluator and IB MK officials. The functioning thereof namely provides for mutual email communication between IB MC and the applicant/beneficiary. The precondition for getting registered in the non-public part of the portal is the existence of a set down project intent, and that strengthens the effectiveness of communication. Thanks to mutual sharing of information through the web portal of relevant departments of IB MC, coordination in consultations of project intent/project as well as conveyance of information on a given project are possible. Electronic communication within the framework of portal is moreover replenished by the option of personal consultation of the applicant/beneficiary in instances - such as when more complex cases need to be discussed - when the utilization of the said instrument proves suitable. Communication made via the said portal is - on the part of IB MC preferred to consultations pursued via the phone (meaning that applicants/beneficiaries are in case of **inquires made over the phone** referenced to the web portal under the proviso that the character of the query in line therewith).

- The www.kultura-evropa.eu websites epitomize a functional and effective instrument for the provision of topical information on the realization of intervention 5.1. It features a public part of the *kultura - evropa.eu* electronic application that is accessible to all visitors to the websites. In terms of content and quality of information, websites are – by the evaluator – evaluated as rather satisfactory. Information available on the websites is clearly structured; graphic arrangement of the websites is less good. Accessibility of documents on the websites is classified - by the questionnaire inquiry respondents - as sufficient.
- The www.structuralni-fondy.cz/iop websites are meant as a supplementary instrument to those of www.kultura-evropa.eu. Available on those is basic information on intervention area 5.1; the websites are preferably orientation on potential applicants who are in the phase of primary gathering of information on opportunities of financing projects of intervention area 5.1.
- **Seminars** are used to convey information that is generally valid for all applicants. In terms of time, seminars were realized at the time of, and during the call. The frequency of seminars is satisfactory (3 seminars were held prior to announcement of the call, 4 seminars were held upon the call of announcement and in the course thereof). In terms of content, seminars were devoted to conveying information on conditions of program (5.1), on project application, and to topics identified as potential problems (public contracts, public support). Also, seminars are most often a platform for frequently asked queries. In terms of orientation, seminars held in the phase of project can be classified as satisfactory. As far as progress in project administration and realization in intervention 5.1, not held so far were seminars relating the realization phase. So far, the said agenda has been tackled with respective beneficiaries on respective bases. On the holding of a meeting, applicants/beneficiaries are informed through www.kultura-evropa.eu and www.structurelni-fondy.cz/iop websites, and through email correspondence (i.e. communication via electronic application). By the respondents, the deadline for the provision of the said information is sufficient.
- **The provision of methodology support through manuals and methodology books** was only executed through issuance of the manual for applicants and beneficiaries for the First call, comprising conditions of the program for the preparation, submitting and realization of projects. Information inherent in the Manual are considered – by both the evaluator and respondents – to be sufficient (namely both in terms of project preparation and realization). In terms of the number of reviews (4), the given document may be classified as less stabilized. On alterations in the Manual, applicants and beneficiaries are nonetheless informed on www.kultura-evropa.eu websites or through IB MC officials (electronic portal, email communication). The timeliness of submitting the given information is evaluated by respondents of the questionnaire inquiry as sort of sufficient.
- In terms of quality of providing information, the methodology support of IB MC is classified by respondents of the questionnaire inquiry as highly professional and useful (Grade 1) in the phase of project preparation, and as sufficient (Grade 2) in the phase of project realization. Hard-boiled savvy of officials are in both phases evaluated as sufficient (Grade 2); the willingness of officials is classified as excellent (Grade 1), the understandability of the given information is classified as excellent (Grade 1) in the phase of project preparation, and as sufficient (Grade 2) in the phase of project realization. The promptness of information provision is classified – by respondents – as rather sufficient – given the character of information required. The results of the questionnaire inquiry however need to be evaluated within the context of the low number of respondents participating (or rather within the context of the low return rate of the questionnaires).

Summary/response to the evaluation query:

- Even though the evaluator finds the embedding and orientation of methodology support instruments in IB MC communication strategy (or rather in the written form thereof) insufficient, in relation to an analysis of the operation of respective instruments in practical terms, the provision of methodology support to applicants and beneficiaries may - on the part of IB MC officials – be classified as sufficient. Whereas, during the evaluation, due to the low return rate of questionnaires, it was impossible to sufficiently verify the effectiveness and functionality

of respective instruments of methodology support on the part of applicants, and owing to the fact that no quality evaluation of the said instruments is conducted by IB MC, the given evaluation of functionality and effectiveness of the instruments of methodology support cannot be regarded to be comprehensive.

Centre for Regional Development of the CR (CRD)

Introduction:

The instruments for the provision of methodology support to applicants and beneficiaries ensue from the **Communication plan IOP, OM IOP** (Part A.6 – Informing and promotion), **Annual communication plans of IB, and MI-18** (Chapter I.1). The main instrument for communication and publicity management is the IOP Communication plan and the annual update thereof. Responsible for the realization thereof is IOP MA, or rather the IOP MA communication official. Linked with the IOP Communication plan are Communication plans (or, if you like, annual updates thereof) of respective IB; responsible for the realization thereof are respective IB.

Further to OM IOP adjusted – by IB CRD – is the communication strategy relating intervention areas 4.1a and 4.1b (of activity 4.1d), 5.2 a 5.3 in IB Communication plan (Annual CRD communication plan within the framework of IOP, hereinafter referred as only "CoP CRD"). **The strategy of CoP CRD is particularly oriented on:**

- Presentation of basic information on IOP;
- assistance in drawing up an application for a subsidy;
- ensuring successful realization of projects through the provision of sufficient, quality and timely information to applicants and beneficiaries;
- provision of information on ongoing or already realized projects.

Methodology support relating applicants/beneficiaries includes largely the provision of information on support options in terms of respective activities pursued within IOP framework, and subsequently the creation and interpretation as such in the direction towards potential applicants and beneficiaries of such support. The main instruments of CRD communication with applicants/beneficiaries comprise, e.g., www.structurelni-fondy.cz, and www.crr.cz, www.risy.cz websites, training sessions and seminars, participation on fairs and conferences, consultations, publications and manuals, etc.

The analysis of the provision of methodology support – by IB CRD – to applicants and beneficiaries is oriented towards:

- Embedding the instruments of methodology support in IB communication strategy;
- evaluation of suitability of the given instruments, of their effectiveness and functionality in relation to target groups;
- utilization of given instruments in preparation and realization phase of the project.

The findings posted herebelow were made based on an analysis of the relating IOP documentation (CoP IOP, annual CoP IOP and CRD for 2009, Evaluation of CoP CRD for 2008), and on directed interviews (with DMSFCC a RP – CRD officials). In order to verify the quality and effectiveness of communication with applicants/beneficiaries, and electronic questionnaire survey³ was conducted. Outputs from the inquiry constitute the content of the finding. Owing to the low return rate of responses, the information value of the sample cannot be classified as sufficient.

Major findings:

- The list of instruments for the provision of methodology support is shown in multiple documents listed hereabove. Activities scheduled in CoP CRD are realized compliant with CoP IOP. What the annual CoP CRD 2009 nonetheless fails to contain are **differentiated communication instruments aimed at different target groups** (applicants, beneficiaries, evaluators, expert public, public), and a specific of potential applicants and beneficiaries within a complete specter thereof (i.e. regions, municipalities of different sizes, associations of owners of dwelling units, MLD CR, organizational components of the state or contributory organizations run therewith, NSO, professional associations of legal entities – both with a nation-wide operation in the area of tourist industry). That is a fact evaluated rather negatively because it can – in quite an extent – impact upon the effectiveness of respective activities realized by CRD. IB CRD has set a system of regular evaluations of communication instruments.
- Even though the evaluator identified partial deficiencies in the formulated communication strategy (i.e. in the written embedding thereof), based upon the analysis **of the use of instruments of methodology support in practical terms, these can be classified as functional and effective.**
- In order to keep applicants and beneficiaries informed, CRD uses www.structurelni-fondy.cz/iop, www.crr.cz, websites plus the www.risy.cz portal. Websites www.structurelni-fondy.cz/iop and the www.risy.cz portal serve as supplementary instruments of www.crr.cz. Whilst www.structurelni-fondy.cz/iop websites feature basic information on IOP, or rather on intervention areas 4.1, 5.2 and 5.3, and are rather oriented towards potential applicants in the phase of initial acquisition of information on project financing opportunities. Information on the said websites will navigate the potential applicant to the abovementioned source providing more detailed information on the intervention area, namely even with regard to the realization phase of the project. These websites (i.e. www.crr.cz) moreover include the FAQ option that is updated on a regular basis. What those largely reflect are actual queries from applicants as well as beneficiaries. In terms of content and quality, websites are evaluated rather as satisfactory; they could nonetheless be better structured so stand out more lucid and allow for an easier orientation.
- **Seminars and training sessions** are held depending on the deadlines of announced calls, or rather as per the needs of IOP (submission of applications for payment and of final reports), and are the most used means of to inform on the program. These activities are of crucial importance for the methodology support and uniformity of presentation, and are moreover positively evaluated. Applicants/beneficiaries are informed on the seminars through websites and email correspondence. The period of time within which such information is provided was classified – by respondents – as sufficient.

3 The selected respondents of the questionnaire inquiry were 31 bodies pinpointed from the IS MONIT7+ set as at 7 January 2010. Bodies were selected so that both each type of applicant within the given intervention area was represented and – where applicable - respective cohesion regions, so that the quality and effectiveness of methodology support provided by relevant regional CRD branches be verified. The evaluator obtained 9 questionnaires that were used to replenish the evaluation data.

- Methodology support of applicants/beneficiaries moreover takes place in the form of **consultations** (written, via phone or email). Officials at information points respond queries relating the preparation of applications for the provision of support, as well as the realization and sustainability of IOP. The uniformity of interpretation of documentation and of the conditions for the call within P-CRD is ensured through regular meetings of HQ CRD and P-CRD, and subsequently through the record of CRD queries, serving for a follow-up utilization of procedures. Waiting times for the responses to queries are – despite minor differences – (depending on the realization phase, and first and foremost on the intervention area) satisfactory and the quality of responses is evaluated as sufficient.

- IB CRD issues **promotion publications and fliers** both on its own account and in cooperation with IOP MA . Selected publications may be found even on the internet, on websites such as www.risy.cz. Moreover, methodology support is provided through the **Manual for applicants and beneficiaries, or rather the Manual for IMDP submitters**; on the latter, however, CRD solely cooperates, with the administrator of the processing thereof being - in case of intervention areas 4.1, 5.2, and 5.3, of IOP MA. Information listed in Manuals for applicants and beneficiaries as well as for IMDP submitters may be considered sufficient and lucid. Nonetheless, on alterations in the Manual, applicants and beneficiaries are informed on www.crr.cz websites, or through CRD officials (via phone, email, or through seminars). As for the content and timeliness of provision of the given information, these are classified – by respondents of the questionnaire inquiry – as sufficient.
- Based upon the **questionnaire inquiry** performed, **the valuator came to the conclusion** that communication instruments realized as part of methodology support of project implementation are evaluated fairly positively, and that preparatory phases of projects are evaluated as rather positive, with the exception of intervention area 4.1, activity d (NSO), and of 5.2 (preparation of IMDP), see herebelow. **The quality, content and time criterion** of information provided in the preparation phase of projects are evaluated positively. Appreciated are largely all forms of consultations and seminars/trainings as those respond to the current needs of applicants/beneficiaries. The most frequently tackled areas are those of claimable expenses/costs or filling out the subsidy applications and/or payment applications in IS BENEFIT7. The methodology support of CRD is mostly classified as very professional and useful; the willingness and matter-of-fact savvy of P-CRD officials is appreciated.
- The evaluation in intervention area 5.3 sounds best of all. Partial problems do occur in intervention area 4.1 where the scope of information and lack of website lucidity tend to be taunted. Also, reserves occurred in the questionnaire inquiry in case of intervention area 5.2. Not however against CRD, rather against cooperation with the city – the holder of IMDP (the matter being differently formulated mandatory enclosures to the project, information on the mode of order placement, orientation in the documentation). **Overall, cooperation with CRD officials is at any and each time classified as very positive.**

Summary/response to the evaluation query:

- Even though certain partial deficiencies may be found in the embedding and orientation of instruments of methodology support, in communication strategy (or rather the written form thereof), in terms of analysis of functioning of respective instruments in practice, the provision of methodology support – by IB CRD officials – to applicants and beneficiaries, may be classified as sufficient. Owing to the fact that – during the evaluation – due to the low return rate of questionnaires, it was impossible to sufficiently verify the effectiveness and functionality of respective instruments of methodology support on the part of applicants, and owing to the fact that no quality evaluation of the said instruments is conducted by IB CRD, the given evaluation of functionality and effectiveness of the instruments of methodology support cannot be regarded to be comprehensive.

V. Human resources (HR)

Query No. 10 (Level of evaluation - MA, IB): Do the Managing Authority and Intermediary Bodies dispose of a sufficient number of qualified staff with regard to commitments and obligations ensuing from the Implementation of IOP?

Managing authority (MA)

Introduction:

In ensuring the administrative capacity, MA and IBs proceed in compliance with the government Decree No. 818/2007, approving the procedure and tackling the administrative capacity of drawing the resources of Structural Funds and of the Cohesion Fund for the period of 2007-2013. The function of IOP MA IOP is fulfilled within the framework of the organizational structure of MLD CR 26 – Operation program management section (OPMD), consisting of 4 departments. A survey of departments and of current capacities is shown in table below.

Table 10 – Number of MA IOP staff participating in IOP

Section		Number of staff participating in IOP	Number of officials with a share in activities in IOP < 50% or = 50%
Department of Operational Program Management	Manageress of MA	1	0
	Department of Management	10	2
	Methodology Department	8 ¹	0
	Department of Monitoring	7	2
	Control and Auditing Department	7	3
Budget Department	Department of EU Projects Administration	14	3
Total		47	10

Note: 2 members of staff have a 0,5 workload. Source: Background materials provided by MA IOP

The issue of human resources on MA was evaluated on the basis of criteria listed herebelow:

- Set-up personnel requirements of the MA;
- fulfillment of required personnel capacities of the MA;
- stability of personnel capacities;
- professional competence of available capacities.

Major findings regarding human resources in terms of capacities and professionalism were made on the basis of an analysis of documentation relating to the said problem area (particularly to the Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009), carried out using the desk-research method, and on the basis of directed interviews with MA IOP officials (i.e. managers, and of deputies, of the operations department, methodology department, monitoring department, control and auditing department, and of the EU projects administration department, i.e. 5 interviews in total).

Major findings:

- **Personnel staffing** within MA IOP may - in general - be classified as **stabilized**, with a lower personnel turnover rate. On the level of respective departments, problems with a higher personnel turnover rate are faced by the auditing department – due to exodus of staff to the private sector or to another position in public administration, the reason mostly being higher financial compensation.
- For **financing** the salaries of MA IOP officials, used are the financial means of TP IOP. On financing the salaries of staff, 46% of total TP means, available to MA, go.
- **In terms of capacities**, personnel staffing at MA level may be classified as rather sufficient. A problem with ensuring a sufficient number of capacities on the departmental level was identified in the auditing department where 3 out of 7 officials are – in more than 50% of their work activities – engaged in administration of programs

of the previous program period of 2004-2006. That, then, is a fact that can have a negative impact upon ensuring the department's obligations within IOP.

- **In terms of professional skills**, highlighted as significant may be the fact that MA IOP disposes of officials with experience gained with OP implementation in the previous programming period of 2004 - 2006, namely in all areas of implementation. As a result, assured is the possibility to pass over experiences gained with the application of professional insights relating the SF context, to officials lacking such expertise. Respective departments dispose of a sufficient number of qualified staff. Similarly, no problem was identified with recruitment and education of staff lacking previous experience in the field (i.e. of graduates). In case that insufficient matter-of-fact professionalism is identified, external experts are invited. Hard-boiled professionalism of officials is concurrently enhanced in the form of internal education courses run within MA, as well as through external education schemes (for more details see evaluation Query No. 11).
- An exception from the abovementioned is the Auditing department found to be insufficiently staffed with qualified officials. As the cause, high demands on the given working positions in terms of specific professionalism and practice may on the one hand be identified; on the other hand, there is the low demand for the said working position due to competition of the private domain.

Summary/response to the evaluation query:

- The total number of MA staff, including the professionalism thereof, is classified – by the evaluator – as sufficient – except for the auditing department that is battling with the issue of insufficient human resources both in terms of capacities and in terms of ensuring a qualified staff. That is a fact that can have a negative impact upon handling the obligations of the said section within the framework of IOP.

Interior Ministry (IM)

Introduction:

Activities of the Intermediary Body within the framework of IM are fulfilled by the Structural Funds section (OSF) consisting of 6 departments. An updated survey of officials in the respective departments and sections is shown in the Table below - including information on their engagement directly in the process of IOP implementation.

Table 1 1 - Number of IM staff participating in IOP

Section		Number of staff participating in IOP	Number of officials with a share in activities in IOP < 50% or = 50%
Section of Structural Funds of the Interior Ministry	Organizational Department	1,59	-
	Department of Methodology	1,94	-
	Department of Project Financing	3,79	-
	Department of publicity and of Absorption capacity	0,91	-
	IOP Department	2,28	-
	Department of Monitoring, Project Controlling, and of Technical Assistance	5,11	-

Source: Report on assurance of admin capacities pursuant to government Decree No. 818/2007 for the period of 1.1. - 31.12.2009

Though updated figures for the IM IB are unavailable, from the *Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009* it ensues that the ultimate number of officials at the IM IB is set to equal 48 work positions.

In order to adequately evaluate the current situation in personnel capacities, IM prepares – on the basis of OM IOP – each year by no later than 30 April a report on the provision of administrative capacity for safeguarding the functionality of implementation and auditing structures for utilization of EU-budget financial means; the report subsequently serves as a background material for the IOP report. Apart from the said report, IB IM prepares - as a background material for set-up an optimal number of MA and IB staff – a semi-annual evaluation of factors that have an impact upon the composition and number of admin staff. Among those, factors such as, e.g., the phases in which the program finds itself, deadlines for announcements of calls, assumed numbers of project applications related thereto, etc., occur.

Within the context of the abovementioned, the problem area of human resources of IM IB was evaluated using the three criteria mentioned herebelow:

- Identification of IM IBs staffing requirements;
- fulfillment of the need of IM IBs personnel capacities;
- professional competence of capacities available.

As a background for the evaluation performed, and for the findings listed below, an analysis of procedures set out in the program documentation (particularly MIP MV, and, alternatively, OM IOP) had served, as had the *Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009*, made using the desk-research method. Respective findings were concurrently verified through directed interviews conducted with OSF officials, participating on IOP implementation.

Major findings:

- The total **number of members of staff** engaged in IOP implementation within IM IB is **currently fulfilled in approx. 90 %**. Moreover, the participation of respective officials in IOP implementation is rather than 100% only 77,61% (according to available data), as some officials perform activities associated with implementation of OP LZZ; as a result, the number of personnel capacities available for IOP implementation gets reduced even further.
- Though the administrative capacities of OSF are currently almost fulfilled, and though the target number of staff may be regarded sufficient, the problem to face is a **significant shortage of qualified and experienced staff with expertise from SF implementation**. Thanks to the fact that – within the framework of IM - OSF represents a relatively new section, most of the new staff moreover reports on a brand new workplace; as a result, at the IM there is hardly anyone who would pass experience over to the new staff.
- With regard to the heretofore problems with personnel capacities, problematic can also be regarded the system of planning necessary capacities as such. In line with OM, IM IB is responsible – just as any other IB - for the annual preparation of the Report on safeguarding administrative capacities for safeguarding the functionality of implementation and auditing structures for utilization of EU-budget means, and the semi-annual evaluation of factors impacting the number and composition of administrative staff. Despite that all, IM IB was facing – in connection of First calls – a shortage of personnel capacities necessary for the administration thereof. That is proof of ineffectively planned capacities – in terms of the anticipated development of the program implementation.

- So, IM IB is frequently facing insufficient capacities for program administration. The reason however is not that IB, as an entity, disposes of an insufficient number of staff. Rather, it is due, e.g., to the fact that the staff find themselves constrained to - due to insufficient coordination of the call, and due to insufficient communication with applicants in the phase of project preparation - tackle an above-average amount of deficiencies occurring in respective projects, and the above-average number of change applications.
- Even though the said subject area is closely associated even with administrative procedures, it is mentioned here as a commentary to the need of increased comprehensive planning of management within IM so that some of the officials are not overburdened due to, e.g., poorly scheduled calls or insufficient communication between respective sections within the IM.

Summary/response to the evaluation query:

- In relation to major findings identified by the analysis, the evaluator arrived at the conclusion that the total number of officials engaged in the IOP implementation within pursuance of IB IM is currently sufficient.
- However, IB IM does not dispose with a sufficient number of qualified officials, and that markedly complicated the fulfillment of obligations and commitments ensuing from the implementation of IOP.
- Moreover, considered as ineffective can be planning of necessary personnel capacities in terms of the anticipated development of the program and of respective calls thereof, so that - well ahead - ensured are e.g. sufficient capacities for performing the administration of applications within the set deadlines.

Ministry of Health (MH)

Introduction:

Activities of the HM IOP Intermediary Body in pursuance of HM are fulfilled by the European funds (EF) section. The dispensation of IB is ensured through 4 departments with capacities posted in the Table attached below:

Table 1 2 - Number of HM officials participating in IOP

Body		Number of officials participating in IOP	Number of officials with a share in activities in IOP < 50% or = 50%
Section of European Funds	Methodology Department EF/1	4	0
	Project Management Department EF/2	4	0
	Department of Project Financing (EF/3)	4	0
	Department of Monitoring, Reviews and Technical Assistance (EF/4)	6	0
	Director + assistant	2	0
Total		20	0

Source: Report on ensuring administrative capacities under government Decision No. 818/2007 for the period of 1.1.-31.12.2009

The role of the financial department within IB is ensured by the Financial Unit (FU). On the implementation of IOP, moreover further sections of HM participate.

The total number of officials engaged in IOP implementation in pursuance of IB HM entails 20 working positions. The share of officials on IOP implementation is 100%, i.e. officials are not burdened with activities other than those

relating IOP. Within the organizational structure of the HM, a delimitation of type positions such as communications officer, education coordinator, financial manager, methodologist, project manager, coordinator of technical assistance, and discrepancy coordinator, took place.

The subject area of IB HM human resources was evaluated on the basis of criteria listed herebelow:

- Set-up personnel needs of IB HM;
- fulfillment of the needs of IB HM personnel capacities;
- stability of personnel capacities;
- professional competency of available capacities.

Major findings were made on the basis of an analysis of procedures set forth in OM IB GG HM, and of documents relating the subject area of human resources (Organizational structure of EFD, HM, Risk analysis of IB HM 2009, Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009 using the desk-research method. Concurrently, interviews were conducted with EF/1, EF/2, EF/3 and EF/4 officials on the said topic (4 interviews altogether).

Major findings:

- **The total number of officials** engaged in IOP implementation within IB HM is – compliant with the organizational structure of the European Funds (EFD) department, and the *Report No. 818/2007 for the period of 1 January – 31 December 2009*, made using the desk-research method – set to comprise 20 working positions.
- The set number of HM personnel capacities is currently filled. **In terms of capacities**, personnel staffing on HM level can be evaluated rather as insufficient. Lack of staffing is apparent first and foremost in the Project realization department – depts.. of controlling, financial management, and methodology support. The gradual increase in the number of projects under realization is not compensated with an increase in the number of officials performing the said activity. Seen as risky staff-wise is the situation in departments EF/4 and EF/1. the subject matter of keeping track of human resources needs is monitored through a risk analysis, as well as in annual evaluations of factors impacting upon the composition and number of staff within the HM’s human resources.
- **Personnel staffing of work positions** within IB HM may be classified as stabilized, with a low turnover rate.
- **Professional qualifications** of respective IB HM officials may be seen as sufficient. In the area of Structural funds, the qualifications of HM officials HM may be considered to be optimal. Within IB HM, a high number of officials may be identified with prior expertise gained with SF. The professional qualifications of HM IBs’ personnel capacities continues to get – in practical terms – enhanced thanks to the implementation of effective instruments contributing to the qualifications boost of the given officials:

Summary/response to the evaluation query:

- The total number of officials engaged in IOP implementation within the pursuance of IB HM is currently regarded insufficient. A lack of personnel capacities is largely evident in departments participating in project realizations, marked on the one hand by a continual increase of project numbers, yet not compensated for by an increase in staffing. IB HM disposes of a sufficient number of qualified officials who will ensure an effective fulfillment of obligations and commitments ensuing from IOP implementation.

Ministry of Labor and Social Affairs (MLSA)

Introduction:

Within pursuance of HM, activities of the HM IOP Intermediary Body are fulfilled by the sections of Social services and of Social cohesion of MLSA (hereinafter only: "IB 22"), the section of ESF MLSA implementation programs (hereinafter only: "IB 45") and the Section of economy (hereinafter only: "IB 62"). Dispensation of IB is ensured by 3 departments with a staffing listed in the attached Table:

Table 1 3 - Number of MLSA staff members participating in IOP

Body		Number of officials participating in IOP	Number of officials with a share in activities in IOP < 50% or = 50%	Achoevement of required staff figures
22 - Section of social Services and of social inproation	224 - Department of ESF and IOP implementation	5,7	2	22 - Section of social Services and of social inproation
45 - Section of ESF implementation	451 - Project management department	1	1 (so far unfilled 0,5 PM)	45 - Section of ESF implementation
62 - Section of Economy	626 - Subsidies Department	5,4	1	62 - Section of Economy
TOTAL		12,1	4	

Source: Source: Report on ensuring administrative capacities under government Decision No. 818/2007 for the period of 1.1.-31.12.2009 using the desk-research method.

The subject area of monitoring HR needs is monitored through an analysis of the needs of MLSA human resources, currently undergoing its 5th annual update. As part of HR analysis, active work proceeds with the plan of calls and the number of projects winning support; these are namely factors determining the workload of staff in respective departments involved in IOP implementation.

The issue of IB HM human resources was evaluated on the basis of criteria listed herebelow:

- Set-up personnel needs of IB MLSA;
- fulfillment of the needs of IB MLSA personnel capacities;
- stability of personnel capacities;
- professional competency of available capacities.

Major findings relating the subject area of human resources in terms of staffing and expertness was made based upon an analysis of the documentation relating the said agenda (*Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January - 31 December 2009*, the Organizational structure of IB MLSA, and a survey of officials participating in IOP implementation), using the desk-research method, and based on directed interviews with IB MLSA (IB 22, IB 45, IB 62) officials - 3 interviews in total.

Major findings:

- **The total number of officials** engaged in IOP implementation within IB MLSA is – compliant with the organizational structure of the European Funds (EFD) department, and the *Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009* using the desk-research method - set to comprise 12,1 work positions (FTE). Whereas some work positions (largely those of senior officials in respective sections) participate in IOP implementation within less than 100% of their work activity, the actual number of work positions is higher.
- **In terms of capacities**, the staffing on MLSA level may be evaluated insufficient. The set number of personnel capacities at MLSA is currently not filled – the non-fulfillment of personnel capacities applies to work teams IB 45 (unfilled 0,5 PM) and IB 62 (with unfilled 1 PM). **As critical, personnel capacities situation may be regarded at IB 45 – with solely 1 working position participating in IOP implementation IOP.** Conversely, **as rather positive, the situation in staffing of IB 22 is seen** . Whereas IB 22 is obliged to coordinate procedures within entire IB MLSA, excessive concentration of activities pursued by HD 224 and VR 224 coordination officials takes place. With respect to the staffing of IB MLSA, identified as an insufficiency may be the fact that - within IB MLSA – no position/department of methodology assistance was set up. As a result, respective officials are subsequently burdened with preparation of methodology background materials and with fixing working procedures, or – alternatively – further cooperation with external companies is used (emergence of AM 3.3). **Personnel staffing of working positions** within IB MLSA may be classified as stabilized, with a low turnover rate.
- **In terms of professional expertise**, IB MLSA work teams may be classified as entities with a sufficient savvy of the Structural Funds subject area. As positive, the fact needs to be considered that - in the area of staff qualifications – senior officials of respective working teams are qualified and experienced in the subject area of structural. In case of these, a diffusion of expertise gained in previous planning periods with expertise gained from other OP, and largely from OP LZZ, takes place.
- Even though this subject area is closely associated with administrative procedures, it is mentioned here as a commentary on the need of greater comprehensive planning management within the IM so that overloading of some officials due to, e.g., poorly planned calls or due to insufficient communication between respective sections of IM are avoided.
- In relation to matter-of-fact expertness, fairly positive is the engagement of an experienced and professionally CRD subject into the implementation of implementation areas 3.1 and 3.3. through the realization of the said link, a transfer of some activities requiring specific savvy and CRD expertness (e.g. the agenda of selective management, procedures of trade license administration control, the subject area of IS Benefit7, etc.). Through the said engagement, the qualifications of officials participating in implementation the given IA are strengthened.

Summary/response to the evaluation query:

- Despite the engagement of CRD into the process of administration of intervention areas 3.1 and 3.3 of IOP, the staffing of IB MLSA relative to of obligations and activities ensuing from IOP implementation may still be considered insufficient. The lack of staffing is largely apparent in departments participating in the implementation of intervention area 3.3 of IOP (IB 45), and also in departments participating in the realization of projects (IB 62) in which all capacities have not been filled yet. Conversely, IB MLSA disposes with a sufficient number of qualified officials who will guarantee an effective fulfillment of obligations and commitments ensuing from the implementation of IOP. Professional qualifications of officials participating in the implementation of intervention areas 3.1 and 3.3 was moreover enhanced through the engagement of CRD in the processes of administration of the given areas of intervention.

Ministry of Culture (MC)

Introduction:

The function of IB IOP within the organizational structure of the Ministry of Culture is fulfilled by Section B, comprising 4 independent departments.

Table 14 - Number of MC staff participating in IOP

Body		Number of officials participating in IOP	Number of officials with a share in activities in IOP < 50% or = 50%
Section B	General manager of Section B	1	0
	Independent Legal Department	2	0
	Independent Methodology Department	3	0
	Independent Department of Project Management	3	0
	Independent Department of Financial Management	3	0

Source: *Administrative capacities of IB MK, Operations manual of Intermediary Body Version 1.1*

A survey of the departments and current capacities is given in the table herebelow. Participating in IOP implementation moreover is the Economy Department (ED), fulfilling the function of a financial body, and the Internal Audit and Control section (IACS), within the framework of which – and in line with WPM IB MC – detached is official for the pursuit of on-the-spot public control reviews for IOP (or rather for intervention area 5.1).

The subject area of IB MC human resources was evaluated on the basis of criteria listed herebelow:

- Set-up personnel needs of IB MC;
- fulfillment of the needs of IB MC personnel capacities;
- stability of personnel capacities;
- professional competency of available capacities.

Major findings relating the subject area of human resources in terms of staffing and expertness was made based upon an analysis of the documentation relating the said agenda (namely particularly the *Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009*, the Organizational structure of IB MC, and a survey of officials participating in IOP implementation), using the desk-research method, and based on directed interviews with IB MC (SDSB, IMD, IDPM, ILD and IDFM) officials – 5 interviews in total.

Major findings:

- **Staffing within IB MC is not stabilized** due to a greater degree of staff turnover rate, particularly na the positions of SDSB and auditor.

- **In terms of capacities**, the staffing of IB MC may be evaluated rather insufficient. Insufficient staffing in the area of capacities is identified particularly within IMD – in respect to the scope of job description of the said department that also handles TA administration. Insufficient capacity assurance gets negatively reflected first and foremost at a time of increasing administration demandingness in project evaluation (i.e. in case of a greater number of accepted projects). Concurrently, concentration of a greater amount of responsibility per one official is identified within IMD (IMD manager), i.e. unequal distribution of competencies the department, plus insufficient assurance of deputizing. **Though the current staffing situation at IDPM and IDFM is classified – by IB MC officials – as satisfactory, a risk of insufficient capacities may be viewed in terms of the anticipated increase in admin demandingness of intervention area 5.1 in the phase of realization and of a financial settlement of projects.**
- In terms of **expertness**, classified as critical may be the fact that IB MC ranks among bodies of IOP implementation without any prior experience with SF from the period of 2004 – 2006, i.e. from the so-called pre-entry period. Concurrently, within IB MC, a very low number of officials is identified as having previous experience with SF. Lack of experience may – in the evaluator’s view – have a negative impact particularly on areas of controlling and of financial management. As for the expertness of IB MC officials, identified as a problem is the zero qualification/absence of experiences in conducting control activities, particularly with on-the-spot public administration reviews done executed by IDPM and IDFM officials, and with the subject area of public support.

Summary/response to the evaluation query:

- In terms of findings made, the evaluator’s verdict is that IB MC fails to dispose of a sufficient number of qualified officials. The problem is seen in insufficient capacities in terms of the number of human resources (staff load in IMD, insufficient number of IDPM, IDFM and IACS officials in terms of the anticipated amounts of projects), and in assurance of expertness of capacities (a very low number of officials disposes of experience with SF and with experience in the area of control activities). Moreover, as problematic appears the inappropriate method of needs identification.

Center of Regional Development (CRD)

Introduction:

As part of MLD, participating in IOP areas of implementation administered by CRD are - apart from the section of management of operational programs of MLD (IOP MA) – moreover MLD sections as follows: the Housing support department of MLD (hereinafter only: “HSD”); the Independent Department of Regional Worksites of MLD (hereinafter only: “RW MLD”); the Department of Territorial Planning of MLD; the Tourist Industry Department of MLD; the Department of Monitoring System Administration of MLD - it participates in the preparation of the MSC2007 monitoring system; Department of MLD budget, and Department of Financial Services of MLD: caters for the functioning of the financial department.

Table 15 - Number of CRD officials participating in IOP

Section/department		Number of officials participating in IOP	Number of officials with a share in activities in IOP < 50% or = 50%
HQ CRD	DFM	4,69	8
	Target 1,2	5,09	
	UER	1	
Regional branches		23,68	11
CRD TOTAL		35,13	19

Source: Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009

The subject area of IB CRD human resources was evaluated on the basis of criteria listed herebelow:

- Set-up personnel needs of IB CRD;
- fulfillment of the needs of IB CRD personnel capacities;
- stability of personnel capacities;
- professional competency of available capacities.

Major findings relating the subject area of human resources in terms of staffing and expertness was made based upon an analysis of the documentation relating the said agenda (particularly those of OM IOP, MP-18, Internal regulations CRD: RD-01 – Rules of organization, OS-05 - Personnel management, and the *Report on safeguarding administrative capacities under government Decree No. 818/2007 for the period of 1 January – 31 December 2009*. Facts identified were consulted with responsible officials of IB during directed interviews (a total of 3 interviews – HQ CRD, RP CRR Central Bohemia, and Personnel Department).

Major findings:

- **In terms of capacities, the staffing level of CRD is evaluated rather as positive.** Currently however, **considerable fluctuation may be stated in the surge of work;** over the past couple of months, troubles have emerged first and foremost in administration of intervention area 2.1. Nonetheless, CRD managed to cope with those – also thanks to temporary assistance provided by other departments. Sufficient admin capacity epitomizes one of the key aspects in terms of a smooth realization of the program (observance of deadlines, effectiveness of work, impact upon error rate, sufficient and quality support of applicants/beneficiaries, etc.) and therefore it may be considered to constitute a weak spot in the implementation program. As for selected implementation areas, also taken into consideration may – in case of trouble – be purchasing external services, where applicable; that might – in a sense – take the burden from some P-CRDs.
- Within IB procedures, it is not stipulated in what way the **analysis of personnel needs**, epitomizing an important instrument for set-up an optimal staffing level to pursue major/all CRD activities, is carried out. Failing is a clearly set guarantor, and a clearly determined period within which the personnel needs analysis is to be performed. However, as has ensued from directed interviews, an analysis of personnel needs is realized. The IB does – on a regular basis – check the staffing of HQ CRD and - first and foremost - of regional branches relative to the projects accepted, and amount of work associated therewith. Moreover, IB plans to conduct a personnel audit that might reveal any possible weak spots and perils.
- Within IB CRD, the **personnel staffing of respective working positions** can be classified as stabilized. Though there occasionally is kind of a turnover of officials, the ability of the IB to ensure proper implementation is nonetheless not jeopardized in any way.
- **The professional competence of CRD officials**, i.e. the savvy and expertise of respective officials in the problem area of EU Structural Funds are relatively high and mostly long-standing, that being a vital pre-requisite for ensuring a proper implementation of the program and of entrusted intervention areas. Limited in a way is the professional awareness of supported activities of respective areas of intervention; those are nonetheless compensated for through close cooperation with expert administrators of the given areas of intervention (MLD sections) where necessary, and through training realized to respective calls on the part of MLSA and IM. Requirements laid upon new applicants to take vacant positions are relatively tough so as to maintain the quality level of provided services, as well as the proper administration of IOP.

Summary/response to the evaluation query:

- The total number of staff engaged in IOP implementation is currently classified as sufficient. An increased surge of work, if any, is manageable by CRD within its own capacities. IB CRD disposes of a sufficient number of qualified staff capable of ensuring an effective and proper fulfillment of obligations and commitments ensuing from IOP implementation.

Query No. 11 (Evaluation level - IB): Is the established education/training system of MA staff and of IB IOP staff adequate and sufficient?

Managing Authority (MA)

Introduction:

In the area of education, OM IOP stipulates the obligation for all bodies involved in program implementation to ensure adequate qualifications of staff. Thus, responsibility for staff education is split between MA (MA staff) and IB (officials in respective IBs). The realization of progress in education of IOP MA staff abides by the *Decision of the Minister for Local Development No. 28/2006* as of 24 February 2004 on the *Regulations for education of the staff of the Ministry for local development* (hereinafter only: "MLD"). These regulations are fully harmonized with the government Resolution No. 1542/2005 as of 30 November 2005 in force and effect, and with the Regulations for the education of administrative authorities personnel, stipulating the mode of staff preparation in administration authorities – in compliance with government Resolution No. 166/2008 on the System of education of officials realizing NSRF⁸ within the period of 2007 through 2013.

Education of IOP MA staff ensues from the education strategy, the so-called IOP Education/Training Plan. Within IOP MA , one official is appointed to be responsible for the realization, evaluation and update of the plan concerned. Education of IOP MA staff is paid for from IOP technical assistance funds.

Whilst OM IOP stipulates the obligation for IOP MA to develop an education strategy, no such obligation is set for respective IB, not even elementary rules applicable on staff education within the entire program are set. However, the conclusions and recommendations of the 4th Session of IOP Monitoring Committee obligate IB to submit - for the 5th Session of IOP Monitoring Committee – a detailed education plan for 2010.

The area of education/education of IOP MA staff was evaluated as per criteria listed herebelow:

- quality of education system set-up, incl. education strategy;
- level of handling needs in the area of education;
- quality of education;
- effectiveness of education;
- coordination of IOP MA and IB education activities.

Major findings relating the subject area of provision of education to MA staff were made on the basis of an analysis of documentation relating to the area concerned (i.e. particularly the IOP Education Plan, Survey of MA, CORP, and JP2 training courses run in 1H 2009 in figures, Survey of IOP MA , CORP, and JP2 training courses run in 2008 in figures), using the des-research method. Concurrently, on the aid topics, directed interviews were conducted with IOP MA officials (department of management - incl. a female staff responsible for the realization of education; methodology department, monitoring department, controlling and audit department, and EU projects administration department – altogether 8 interviews).

Major findings

⁸ i.e. *National Strategic Reference Framework*

- The realization of education activities in time fails to – at any and all time - reflect the up-to-the minute educational need **of respective officials**. The weak spot of education planning ensues from the necessity to respond to the current offer of the market, i.e. officials do respond to the current offer of training schemes, though that not always responds to the up-to-the-minute needs thereof. That is a fact that rather than applying solely to training/education services provided by external commercial bodies, fully applies even to training schemes run by NOC (the problem of scheduled postponement of the launch of Training Module pursuant to government Resolution No. 166/2008 on the System of Training Staff realizing NSRF within the period of 2007 through 2013).
- Even though – within the period of 1 January 2009 – 30 June 2009, an increase in the number of trained staff as compared to that of 1 January 2008 - 31.12. 2008, by 102% took place, the lower (by c. 25% on average in the period from 1 January 2009 – 30 June 2009) percentage rate reflects the problems in the fulfillment of respective plans pending the realization of education. Low attendance on education events largely ensues from lack of time available for attending those events (particularly in case of senior officials), as well as from the limited offer of training schemes coming up with the necessary topic and/or satisfactory quality. The problem of a limited offer on the market with educational services gets particularly reflected in case of officials with long-term practice in the area of SF (lack of new topics offered). Concurrently, in terms of offer, the problem of absence of a link between the said professional staff with the SF area, is apparent (particularly in the area of financial management and auditing), as is the problem of absence of training events run on topic specific to SF (such as, e.g. monitoring). The absence of abovementioned topics on the domestic market of education services is partially set-off through attendance of workshops or conferences held abroad. There a valuable swap of implementation-related experiences takes place among the representatives of respective member countries. Oddly, this form of education is – in terms of organizational and financial arrangement – scarce. In the low percentage of IPP fulfillment, moreover the abovementioned non-efficient preparation of IPP is reflected, as is the delay in the realization of the NOC module.
- In pursuit of ensuring sufficient **effectiveness of education**, IOP MA carries out an education evaluation in basically two forms, i.e. monitoring of the fulfillment of EP IOP and evaluation thereof in semi-annual periods, and in the form of evaluation of the quality of respective education events provided by external services. The evaluation of the education plan is oriented quantity-wise rather than quality-wise. As a weak point, particularly the absence of the link between the benefit of education schemes and the working output (i.e. the use of acquired savvy in practical terms) is seen. Thanks to regular monitoring and evaluation of realized education schemes, low-quality education schemes get eliminated.
- **In relation to IB IOP, MA** is not in the position of education coordinator within IOP. Hence, IOP MA does not coordinate and control the creation and evaluation of IB education plans, nor does it provide methodology for the creation of IPP (provided that such exist). On the education of IB officials, IOP MA gets informed indirectly only – as part of information provided on events realized from TA.

Summary/response to the evaluation query:

- The education/training system as set for MA officials may be classified as functional, inasmuch deficiencies occur therein, that have an impact upon the effectiveness of education (creation of IPP by the officials themselves, absence of a quality-wise evaluation of EP, insufficient bids of the market in the area of education, belated realization of the NOC education module).
- Facts such as that - on the part of MA – coordination of education within the entire IOP is not ensured, that no uniform strategy for the education of the staff of the entire IOP (or rather MA – IBs) implementation system is not clearly defined, and that responsibility for staff education is split between MA and IBs, impact negatively upon the functionality and effectiveness of the entire education system (see also the conclusions made from key finding in respective IB).

Interior Ministry (IM)

Introduction:

In general, the education of implementation structure staff ensues from the IOP education plan, set on the level of MA. Based upon the said education plan, on the IB level, a respective plan of personal development is drawn up for each official. The fulfillment will be – starting this year – regularly evaluated so that feedback is provided; based upon the findings, respective plans will be modified and developed as per the latest needs of respective officials.

Education of Intermediary Body's staff is realized through:

- Lead-in introductory training;
- lead-in ongoing training;
- awareness-deepening training

Education of IB staff is provided in the form of an offer of training courses run for IB directly by IOP MA , as well as in the form of external training schemes, workshops and seminars.

The findings listed below were made on the basis of an analysis of procedures set out in the program documentation (particularly that of MIP IM, or of OM IOP) made using the desk-research method. Moreover, directed interviews were conducted on the given topic with DSF staff engaged in IOP implementation.

Major findings:

- Even though – guessing from the management documentation – the system of staff education is relatively clearly set, the fact that respective IBs are battling with problems when training new personnel indicates that – in practical terms – the system fails to work effectively.
- However, the main problem is not the system of training provided to the respective concrete professional issues. For each member of staff , an respective plan of personal development is prepared; though it is regularly evaluated and further developed, it contains rather specific narrowly oriented training schemes, such as, e.g., for the use of MONIT system. The training system is classified as suitable and sufficient, yet missing in it is training making it possible to particularly new officials to get acquainted with the system as an entity, with its cohesion, and – if applicable – with variations between respective IBs.
- In case of IM, where moreover no one exists within the entire system who would pass on to the newcomers some kind of elementary experience, an option for resolving the problem might be a cross-sectional program, making it possible for the newcomers within the entire IB acquire a more general awareness on the functioning of the system as a whole. Respective thematic training courses might then be run as a follow-up.
- Admittedly, IOP MA has developed a Plan of major fields of education for all IOP IBs, based on training schemes realized using their own members of staff in pursuit of handing over to IB staff the expertise gained by IOP MA officials. IM officials attend the said training events, yet consider the quality thereof as rather insufficient.

Summary/response to the evaluation query:

- From information available on the set system of IM staff education, deficiencies ensuing largely from the low level of experiences of officials responsible for the management of training the staff involved in the area of structural funds.
- Though the evaluation solely builds on information gained during directed interviews with selected DSF officials, or no information ensuing from documentation available", it is obvious that the current training system fails to meet the requirements particularly in case of new members of staff who do not dispose with any SF experience. It is in these cases when concrete technical training sessions are found insufficient because the relevant official is lacking the necessary cross-sectional awareness of both the SF system and of IOP as an entity.

IM has not submitted any detailed information in due time.

Health Ministry (HM)

Introduction:

The education of IB HM officials proceeds through an approved uniform EFD staff education program. The uniform EFD staff education program builds on respective training plans fulfilled by respective members of staff, and on the realization is of systematically coordinated training activities:

- Lead-in introductory training;
- lead-in ongoing training;
- awareness-deepening training.

In order to increase the effectiveness of the training system, limited conditions were set within the framework of IB HM training strategy in the form of a financial limit per employee and a maximum number of days devoted to training undertakings per year. The training administrator continues to actively monitor the effectiveness of drawing training events in respective departments. Responsible for the coordination of training, incl. preparation of, realization of, and upgrade of EP IB EFD is EF/4.

The area of IB HM staff education is evaluated on the basis of the criteria set below:

- The quality of set-up of the training system, incl. strategy thereof;
- level of satisfying the needs in the area of training;
- quality of training;
- effectiveness of training – coordination of IOP MA and IB HM training activities

The findings posted herebelow draw on interviews conducted with the staff of EF/1, EF/2, EF/3 and EF/4 having their say to the given topic (4 interviews altogether) and on an analysis of procedures stated in OM IB GG HM and the documents relating to the areas of EFD training (An analysis of EFD training system, an analysis of respective education programs of respective members of staff) made using the desk-research method.

Major findings:

- The education of IB HM staff is conducted **through an approved uniform FED education program** which may be classified as a functional and effective instrument for systematic enhancement of qualifications of EFD officials. The target group of the uniform education program comprises EFD officials and employees of other departments engaged in the implementation of IOP. The HM training strategy observes the recommended system of training management in liaison with OM IOP (needs identification - education program - realization of the training - evaluation). The training system of EFD officials EFD is actively made use of for even non-financial motivation of respective officials – training is linked with the job performance of officials).
- **Realization of training strategy and the level of meeting the needs in the area of training** may – relative to the set internal procedures – be regarded as a relatively complex system in terms of coordination, and less flexible in terms of satisfying respective training needs. The system of fulfilling the training plans of respective officials is based on the offer of courses available on the market for the upcoming period (of 6 months). Realization of the training strategy in that way is regarded as a procedure that is unable to flexibly enough respond to the actual need of improving the qualifications of respective officials. In practice, the training system is regarded as sufficiently flexible, capable of realizing the required training event even out of the set respective training

schedule. By EFT officials, the training system is evaluated as optimal, fulfilling the education needs of respective members of staff. Within the framework of respective education programs, a diversification of training activities - according to the type of position held and job performance - took place. In case of all programs, emphasis is put on professional training compliant with the work position type.

- **The quality and offer of training events is regarded by EFD officials as sufficient.** Given the regular monitoring and evaluation of realized training events, subpar training events are eliminated. Seen as another positive factor contributing to the effectiveness of effectiveness of HM training strategy is the system of storing presentations and study materials used in respective training events on a shared file; as a result, findings made in respective training events may be shared within the entire section.
- **The effectiveness of the training strategy and of the training system** is first and foremost ensured through the realization of regular monitoring of the training strategy; monitoring is performed both in terms of quantity (established training limits) and quality (quality evaluation of respective events). The training administrator is moreover responsible for monitoring of the training events run for IB by IOP MA , as well as of internal HM courses. Thereby he ensures coordination of training instruments within the framework of EFD, and contributes to improving the effectiveness of the training system concerned.

Summary/response to the evaluation query:

- The education of IB HM staff is realized through an approved uniform EFD education program that may be regarded as functional and effective instrument for a systematic enhancement of qualifications of EFD officials. The set training system of IB HM sufficiently fulfills the needs of qualifications improvement of respective IB HM officials. Thanks to the regular monitoring of the fulfillment of the education program, the given system may be regarded as fully functional and effective.

Ministry of Labor and Social Affairs (MLSA)

Introduction:

In the area of staff education, IB MLSA proceeds compliant with the government Resolution No. 1542/2005 on the Rules of staff education in administrative offices. Hence, the heretofore IB MLSA staff education system is realized within the general education system of MLSA staff. The existing system of MLSA staff education consists of entrance MLSA staff education plus a package of respective education courses to match relevant working positions. Currently, responsible for the coordination of education of respective officials participating in IOP implementation within MLSA is the personnel department of MLSA.

The area of IB MLSA staff education was evaluated on the basis of established criteria listed herebelow:

- The quality of the education system set-up, including education strategy;
- level of level of satisfaction of education needs;
- quality of education;
- effectiveness of education- coordination of IOP MA and IB MLSA education activities.

The findings stated herebelow were made based upon interviews with officials in IB 22, IB 45, and IB 62 on the given topic (altogether 3 interviews).

Major findings:

- **Education of IB MLSA staff** is currently not backed by a comprehensive education strategy, and so far, no IB MLSA Education plan has emerged. **The system of education of IB MLSA staff** participating in IOP implementation can at the moment not be classified as sufficient and adequate in relation to obligations ensuing from IOP implementation. The existing education system does not build on respective education plans reflecting the needs of respective working positions of IB MLSA, neither does a flexible fulfillment of up-to-date education needs of IB IOP take place.
- **Education needs of IB MLSA staff are currently identified and satisfied through the fulfillment of general education needs of respective positions held by MLSA officials.** These needs are defined in liaison to the general Rules of staff education in administrative offices; in practice, there is an *ad hoc* offer education activities as per the current offer of the market. The implications of such procedure are the risk of occurrence of an offer of education schemes unrelated to the job description of the staff participating on IOP implementation, failing to reflect sufficiently the existing education needs thereof. Conversely, positively evaluated may be the fact that respective IB MPRV officials have the opportunity to take up their own education.
- The quality of IB MLSA staff education is partially ensured through the realization of regular evaluation of respective education schemes attended by the respective official. Whereas no IB MLSA comprehensive education strategy has been set up, the quality of education of IB MLSA staff cannot be evaluated from a comprehensive point of view.
- IB MLSA staff actively participate in education schemes run by the MA. However, due to the fact that no IB MLSA has been set up, coordination of education schemes run either by MA, or by other education institutions, is not sufficiently specified.

Summary/response to the evaluation query:

- Education of IB MLSA staff currently fails to be backed by a comprehensive strategy of IB MLSA education; moreover, so far no respective education plans of IB MLSA have emerged. The system of education of IB MLSA staff participating in IOP can currently not be considered as sufficient in relation to obligations ensuing from IOP implementation. Education needs of respective officials are met through a direct offer of respective education schemes. The procedure, as applied, bears with it the risk of non-effectiveness of IB staff's education - largely due an offer of education schemes unrelated to the job description of the official participating in IOP implementation, and not reflecting his or her current education need.

Ministry of Culture (MC)

Introduction:

In the area of education, IB MC proceeds in compliance with the government Resolution No. 1542/2005 on the Rules of staff education in administrative offices. Concurrently, staff education leans towards the education strategy set down in Education Plan of IB MC (EP IB MC).

For its officials, IB MC provides entrance education, follow-up entrance education, and awareness-raising education. Awareness-raising education builds on an analysis of education needs and on the drawn-up annual plan of education schemes. Staff education is paid for from IOP technical assistance funds. Responsible for the coordination of education, incl. preparation, realization, and upgrading of EP IB MC is IMD.

The area of IB MC staff education is evaluated on the basis of criteria set forth herebelow:

- The quality of the education system set-up, incl. education strategy;

- level of level of satisfaction of education needs;
- quality of education;
- effectiveness of education.

Major findings relating the issue of IB MC staff education were made based on an analysis of documentation related to the said area (i.e. Education Plan of IB MNC, Plans of education of IB MC officials for 2008 and 2009) using the desk-research method, and on the basis of directed interviews with IB MC officials of IB MC (IMD, IDPM, and IDFM, 3 interviews altogether).

Major findings:

- The IB MC has elaborated an **education strategy** in the form of an IB MC Education Plan. The target group of IB MC education program (EP) comprises all IB MC officials plus relevant IACS officials engaged in IOP implementation. Based on a detailed analysis of EP, as a paramount problem of education strategy, the not always correct specification of target groups in the thematic areas of education may be seen. In the opinion of the evaluator, the said fact ensues from partially insufficient expertise of IB MC in the area of education needs of staff engaged in SF program implementation. Though the method of education management (i.e. education cycle identification of needs – plan of education – realization of education – evaluation) is defined within EP IB MC, in practical terms it is only applied. Based upon the above mentioned facts, EP IB MC cannot be classified as a functional and effective instrument of systematic staff qualifications enhancement.
- The formulation of **education needs** is made through respective plans of officials (IPP). In practice, those do not emerge on the basis of regular analyses of working positions qualifications and on the basis of analyses of qualifications of respective officials (see EP IB MC); rather, they are created by the officials as such, and approved by immediate superiors thereof. As a result, education schemes tend to be incorporated into IPP that are unrelated with the job description of the given official, and/or are not in line with the education needs thereof. By the evaluator, such procedure is risky in that it insufficiently prevents duplicities in education schemes from occurring (insufficient reflection on education schemes attended in the past – meaning that duplicities in education courses may occur). Another weak point identified in the area of education is the absence of comprehensive staff education. The practice is such that timely offers of education schemes are rather responded to.
- **Evaluation** of education in practice only takes place on the level of the respective education schemes. Regular evaluation of EP IB MC is not carried out. With respect to the aforementioned, the fulfillment of the education plan or of IP of respective officials cannot be evaluated. The quality of attended education schemes is – by IB MC officials – regarded as sufficient. Thanks to the evaluation of realized schemes, subpar schemes are eliminated.

Summary/response to the evaluation query:

- Based upon the findings listed hereabove, the evaluator considers the education system within IB MC as inefficient and ineffective, namely particularly with regard to the flawed thematic orientation of the education strategy, the ineffective method of IPP creation and realization, absence of comprehensive staff education, and absence of regular evaluation of the education strategy.

Center for Regional Development (CRD)

Introduction:

Education of IB staff is realized on the basis of IB education plans (EPs). Further, education ensues from an analysis of education needs, and on an annual plan of education schemes drawn up on the basis thereof. As part of CRD organizational structure, an independent section (i.e. the section of HR management, communication and of external CRD services) is established; it acts as guarantor of the provision of appropriate education and career enhancement.

The area of IB CRD staff education was evaluated as per the criteria listed herebelow:

- The quality of the education system set-up, incl. education strategy;
- level of level of satisfaction of education needs;
- effectiveness of education.

The findings state below were made on the basis of an analysis of procedures set forth in IOP documents (OM IOP, including annexes thereto, the IOP Education plan, in WPM CRD, the internal *CRD AXES-05 HR management* regulation, Fulfillment of the CRD education plan for 2008), using the desk-research method. At the same time, interviews were performed with HQ CRD officials at the Central bohemia regional branch and at the Human resources management section.

Major findings:

- **The realization of education strategy relative to the level of satisfaction of respective needs in the area of education** entails a relatively complicated system that cannot always lead to a complete saturation of the needs of respective members of staff. Even though, in practice, the system is classified as optimal and relatively flexible.
- **The provision of education to CRD officials is a bit more challenging in terms of coordination**, particularly in terms of time potentialities thereof – the burden laid on the organization/respective officials in the course of calls impacts in a considerable extent the fulfillment of the education plan. As has ensued from the interviews and from the analysis of the fulfillment of the Education plan for 2008, it namely was the time load of P-CRD staff that proved to pose quite a problem over the aforementioned year. Due to that reason, respective education plans were fulfilled – in financial terms – in only 28,64 % (i.e. a figure representing the entire CRD), which entails drawing of 435 631,58 CZK (with training courses taking place solely prior to a relevant call, and with common training courses being run). In case of RP CRD, the percentage was even a tiny bit lower, having reached the level of 22,09 % (with 136 616 CZK being drawn from the planned 618 323 CZK). Joint schemes were fulfilled in 83,16 % (with 1 030 413 CZK being spent - out of the planned 1 239 034 CZK).
- **Both the quality and offer of education schemes** is classified as sufficient. In relation to regular monitoring and evaluation of realized education schemes, an elimination of subpar education schemes takes place.
- **The Effectiveness of the education system** is ensured largely through the realization of regular monitoring of the education strategy, namely in terms of both quantity and quality. The administrator for ensuring appropriate education and career enhancement is responsible for the coordination of education schemes, and is beneficial for ensuring the effectiveness of the education system concerned.

Classified as a rather negative aspect in the area of HR education were – in the course of directed interviews – enhanced requirements laid upon the savvy and expertness of CRD staff - largely relative to the orientation of respective areas of IOP intervention. Failure to fulfill these pre-requisites calls for a consistent planning of education schemes. However, in order for the planning of education to be as effective as possible, it needs to be better interlinked with the analysis of CRD administration capacities.

Summary/response to the evaluation query:

- Staff education is based on an analysis of education needs, and on an annual plan of education schemes prepared on the basis thereof. The education plan may be classified as a functional and effective instrument for the provision of required education and of systematic career enhancement of CRD officials, that being a critical pre-requisite for the successfulness of OP. The established system of CRD staff education fulfills the qualification enhancement requirements, and – given the regular monitoring and evaluation of the realized education schemes – it can be classified as functional and effective. In order to reach maximum effectiveness in planning and realization of education, a closer cohesion thereof with the analysis of CRD administrative capacities is necessary.

VI. Administrative procedures

Query No. 12 (Evaluation level - OI): Are administrative procedures set in the respective areas adequately in terms of the support character and type of applicants/beneficiaries?

Intervention area 1.1

Introduction:

In case of intervention area 1.1, administrative procedures are fully within IM competency, and are hence primarily described in MIP IM. The document stipulates - within the framework of administrative procedures – several steps to follow – from the announcement of the call up to the issuance of the relevant legal act on the provision of the subsidy. These comprise:

- Announcement of the call;
- acceptance of projects;
- evaluation of acceptability and check of formal particulars;
- evaluation of project quality;
- ex-ante risk analysis and ex-ante review;
- project approval process;
- administration of project amendments, if any;
- issuance of the relevant legal act on provision of the subsidy.

Minor specifics can be found in the project evaluation item as well as in the process of issuance of the relevant legal act on the provision of the subsidy. These namely differ – in the first case – depending on the project type (standard and strategic projects vs. type projects), and – in the second case – depending on the applicant type. Whilst taking into consideration the abovementioned core information, the adequacy of respective administrative procedures within intervention area 1.1 was evaluated in line with the following criteria:

- Evaluation of the formal of process organization;
- cohesion and set-up of respective processes;

- appropriateness and effectiveness of the set-up of the respective time limits;
- ensuring personnel capacities for the discharge of administration activities.

All evaluations and findings listed further on were namely made upon an analysis of procedures set forth in the program documentation (particularly MIP IM, and/or OM IOP), using the desk-research method. To the said topic, conducted were moreover directed interviews with DSF officials participating in IOP implementation.

Major findings:

- The description of administrative procedures within MIP IM is not always easy to understand, and orientation therein is – given the structure of MIP IM – untransparent. That is particularly caused by the fact that the structure of MIP IM is not logically interlinked with the project cycle, neither is it replicating the standard specification of respective processes. The sequencing of respective procedures within MIP IM is haphazard, and can hence be the cause of processual non-effectiveness, causing problems particularly in getting new officials (i.e. those with zero experience and therefore forced to actually abide by the description of respective processes within MIP VC framework) involved in the administration process.
- Nonetheless, save for the formal deficiencies found in the description of respective processes, the set-up of administrative processes may be evaluated as sufficient.
- Current problems in implementation are rather then due to the quality of the system set-up caused by the way in which projects in support area 1.1 tend to emerge. Though projects are formally coordinated and prepared compliant with the aforementioned government Resolution No. 536/2008, they are often prepared in the nick of time and without necessary coordination with IB IM; as a result, unplanned delays occur as do complications in the course of administration thereof.
- The abovementioned problem is however not directly related to the implementation set-up proper. Rather, it has to do with the fact that has already been mentioned in this document earlier, namely that - within the framework of IM – there is no such thing as a coordinated system of work with applicants, particularly not in case of bigger systems projects still in preparation phase, that would help eliminate similar complications in the upcoming administrative phase.

Summary/response to the evaluation query:

- As has already been mentioned in the major findings section, the set-of up administrative procedures is found - by the evaluator - to be, given the character of support and the type of applicants/beneficiaries, adequate.
- What nevertheless might prove to be a hitch, is - on the one hand - the staffing of IM in the sense of an insufficient number of experienced officials, and – on the other hand – the fact that at the IM a system of working with submitters of bigger projects in preparation phase is non-existent. That in turn – thanks to subpar projects, impacts upon the effectiveness of the system as a whole.

Intervention areas 2.1 and 3.4

Introduction:

These areas of intervention are, contrary to the previous areas, predominantly within the competence of CRD (P-CRD). In case of intervention areas 2.1 and 3.4, only the activities listed herebelow are carried out by IM (DSF and FU):

- Processing and announcement of the call (DSF);

- evaluation of project quality (DSF);
- ex-ante analysis and ex-ante review (DSF in cooperation with CRD);
- approval and selection of projects (DSF);
- issuance of relevant legal act on allocation of subsidy (FU).

Within the competence of P-CRD officials are particularly the following activities:

- Receipt of applications;
- evaluation of acceptability and check of formal particulars;
- project monitoring (acceptance of monitoring reports);
- administration of alterations in the project;
- administration of applications for payment.

From the formal point of view, administrative procedures performed by IM officials are described in MIP IM. Procedures intended for CRD officials are parts of CRD MP - 18 internal regulation.

Here too, evaluation and selection mechanisms are set up subject to the type of project, broken down to type projects, standard and strategic projects.

Bearing in mind the abovementioned core information, the adequacy of respective administration procedures was – even in intervention areas 2.1 and 3.4 – evaluated on the basis of criteria set forth herebelow:

- Evaluation of the formal set-up of process organization, and of the appropriateness and effectiveness of engagement of respective bodies participating in the realization of administrative processes;
- cohesion and set-up of respective processes;
- appropriateness and effectiveness of the set-up of respective time limits;
- provision of personnel capacities for the pursuit of administrative activities.

To this effect, all evaluation and findings cited hereafter were made on the basis of an analysis of procedures set forth in the program documentation of bodies participating in the implementation of these IA (particularly of MIP IM, MP - 18, and/or of OM IOP) and of internal documents, using the desk-research method. Moreover, on the given topic, directed interviews were conducted with DSF and HQ CRD officials participating in IOP implementation.

Major findings:

- Taking into account the abovementioned, the set-up of responsibilities a guarantees can be – in general – classified as sufficient, and so can be the overall set-up of processes.
- As a formal deficiency, the fact may be considered that some administration procedures (such as, e.g., who actually executes the ex-ante analysis of risks) **fail to be described – in technical terms – in relevant documentation coherently enough; as a result, orientation** therein is untransparent, that being particularly due to the different MIP IM structure. The structure thereof is not logically interlinked with the project cycle, nor does it replicate the standard delineation of respective processes. In MIP IM, individual procedures are ranked haphazardly and that may result in non-effectiveness a - particularly in case of lead-in training of new staff – can cause problems.

- **Inasmuch, in general, time limits in the area of administrative processes may be considered adequate, in some instances those are not set in a clear and indisputable manner** (i.e. in days); quite often one comes across an unclear expression or collocation such as “immediately”, “without undue delay”, etc. As a result, unclarities and disputes may arise during administration.
- As another noticeable complication, the overall set-up of the process of **the call announcement preparation** may be considered, in which case the total time limit available for document preparation quite often tends to stretch - due to the complicated amendment process - up to a couple of months, lowering the opportunity to match the call to the current development and needs.
- In terms of provision of administrative capacities, the engagement of CRD may be viewed as a positive step. The problem with CRD involvement is the need to hand over projects from one IB to another and back again which - in practice - is not always handled smoothly enough; as a result, the effectiveness of the entire procedure gets decreased.
- Similarly as on other parts of administrative procedures, communication between IM and CRD, too, is complicated due to the low experience of IM officials with SF administration; as a result, complications were particularly encountered in case of handing over folders for First calls in the area 2.1 (CzechPOINTS), and 3.4.
- Despite the fact that - particularly in case of intervention area 2.1 - problems were partially caused by the very high amount of folders handed over, coordination of handing over folders and communication between CRD and IM need to be given increased attention so that the system is as soon as possible fine-tuned to a level guaranteeing a smooth fulfillment of necessary time limits.
- Positively evaluated may be the simplified administration procedures in case of 2.1 CzechPOINT (with no risk analysis conducted). In relation to the belated launch of the said intervention area, the huge amount of submitted projects, and adherence to the $n+3/n+2$ rule, the application of the simplified procedure is a suitable option. Despite the great amount of applications, all projects were moreover administered on time (i.e. within the time limits set in the documentation). As a result, the measures taken can be evaluated as a good example of how a problems of the given type may be tackled.

Summary/response to the evaluation query:

- Despite the deficiencies mentioned above, the set-up of administrative procedures within the two intervention areas is found - by the evaluator - functional.
- Even though CRD helped with the solution of particularly capacity-wise problems relating the implementation of the given OI, the evaluator does not consider the system in which multiple Intermediary Bodies are engaged to be fully effective, as it carries along a number of potential complications that are likely to - within the implementation process - to take place (pending, e.g., passing over projects from one IB to another, and vice-versa).

Intervention area 3.1

Introduction:

The selection and approval of projects in intervention area 3.1 are realized by two cooperating bodies in 6 phases (in brackets, indicated are bodies entering the selection):

- Evaluation of accessibility of projects (2 P - CRD officials, approved heads of P - CRD);

- review of formal particulars (2 P – CRD officials, approved heads of P - CRD);
- evaluation of project quality (2 external evaluators, evaluation commission, IB 22);
- ex-ante risk analysis (1 working IB 22, approval of head of HD)
- ex-ante control (control group of IB 22, P-CRD, external evaluator).
- tender commission

Actively participating on the realization of administration procedures is MLSA in cooperation with CRD. The distribution of competences is clearly set, and currently active work is in progress on increasing the effectiveness of the given cooperation. Within the competence of P-CRD officials are particularly the following activities:

- Acceptance of applications;
- check of acceptability and review of formal particulars;
- project monitoring (receipt of monitoring reports);
- administration of project alterations.

Administration procedures pursued by MLSA officials are described in PPP MLSA. Procedures for CRD officials constitute part of MP-18. The project is undergoing respective phases provided that set conditions ensuing from the executed evaluation, are fulfilled. The terms and conditions of the evaluation are clearly and transparently set. In intervention area 3.1, presented are solely individual projects. calls take place in the form of continuous receipt of project applications.

A survey of the type of beneficiaries in intervention area 3.1 is shown in the table below:

Table 16 - Types of beneficiaries in intervention area 3.1

Type of beneficiary	3.1a	3.1b	3.1c
Regiaons	x		
Municipalities, municipality bundles	x	x	
Business bodies from terms and conditions set in the call	x		x
Non-state-owned organziation (hereafter only: NSO)		x	x

The circle of potential applicants is wide and disparate – depending on the type of call.

Within the period under surveillance, any and all activities were announced in the given intervention area 3.1. That comprises **3 time-unlimited calls, announced on a continual basis in 2009**. In total, as at 31 December 2009, registered were **34 project applications and 5 projects had already been approved**. The remaining projects are in the control and evaluation process.

The findings listed herebelow were made on the basis of an analysis of procedures set forth in PPP IB MLSA, MP18 and of the documents relating the announced calls (i.e. the formulation of the call, lists of items from IS MONIT7+), using the desk-research method. At the same time, interviews were conducted with IB MLSA officials – team IB 22 and team IB 62 on the given topic (altogether 2 interviews) plus interviews with CRD (HQ - CRD) officials.

Major findings:

- In intervention area 3.1, a **call was opted for in the form of a continual receipt of applications**. The main advantage of the said type of call is first and foremost a minimal discrimination of applicants, and support of quality prepared projects without any time limits being imposed whatsoever. The continual type of call is mainly

suitable for intervention areas in which narrow specification of applicants/projects take s place. That in particular is the case of activities 3.1a and 3.1b – rivalry among projects is uninvited. According to the evaluator´s insights, though in case of the activity in which potential applicants and NSO are engaged, more effective would be - due to the arousal of natural rivalry and motivation in project preparation – to opt for a call for project submissions that is of a limited period of validity, in terms of maintaining a uniform approach to IO, the continual call may be classified as optimal.

- **Both the engagement and cooperation of two separate bodies within the respective phases of the project application administration may be evaluated as rather a negative evaluation area in the evaluation of the effectiveness of the set implementation system within IOP intervention area 3.1.** Though a clear-cut split of roles and powers between MLSA and CRD took place in the respective phases of the administrative procedure, several problem areas are apparent which lower the effectiveness of the given cooperation. Those are as follows:
 - Procedures that were delegated onto CRD as part of the process of administration of IOP intervention area 3.1 failed to be transferred to CRD with full responsibility for the pursuit thereof (project elimination decision, project alterations - CRD fails to have full competences to decide on the said acts). The consequences of the abovementioned facts are frequent transfers of relevant components of the project, including transfers of explanatory information, the ground for the decision.
 - high demands on alignment and coordination of working procedures specified in MP 18 and PPP IB MLSA – the process of updating working procedures set in respective documents requires maximum collaboration and – subsequently – uniformity of common procedures, time limits, terminology applied, and forms. Given the active engagement of MLSA and CRD officials within the system of procedure compliance, the said area may be classified as rather positive. Practical experience with the implementation projects has revealed discrepancies that currently are in the phase of solution.
 - A highly challenging system in terms of information transfer and of the quality of information transferred.
 - Due to the transfer of project components between MLSA and CRD bodies, time limits available for the pursuit of activities as such, get shortened.
 - Professional qualifications of P-CRD officials and non-engagement of P-CRD officials into project preparation – loss of the link between preparatory and the subsequent phase of project review. Guessing from the increasing requirements laid upon P-CRD officials it may be assumed that the character and specifics of respective IOP areas of intervention (i.e. those of 2.1, 3.4. 3.1, 3.3, 4.1, 5.2, 5.3) that are under the gestion of P-CRD officials, are in a certain way limiting in terms of deepening the awareness of respective calls.
- In terms of the quality of evaluation of respective products, evaluated as an effective approach may be the involvement of external evaluators in the process of project evaluation. The external evaluator draws up background materials for the subsequent evaluation made by the evaluation commission which in turn determines the ultimate evaluation of the project. The entire process of evaluation takes 25 work days (WD). Owing to the continual call for project submission, the institute of evaluating commission may be regarded as an area that is more demanding in terms of coordination and smoothness of the entire evaluation process.
- **The tender commission** is in session no less than 5 times a year. That again requires consistent coordination and prediction of planning project procedures. The tender commission approves - within the framework of the intervention area – the recommended projects and coordinates the link between the submitted projects and projects from OP LZZ by which the effectiveness of drawing SF means is guaranteed. For that reason, the given project approval institute is classified as fairly beneficial.

- As less lucid and more demanding in terms of coordination, the description of processes **issuance of and completion of Decision on the provision of a subsidy/Determination of the cost of financial events**. Respective components of projects are – within a short period of time ceded to several different bodies – vibration of processes.
- **Project reviews** (risk analysis, ex-ante control, public law control, monitoring report control, TRADE LICENCES, etc.) are – by both MLSA officers and the evaluator considered to be an established instrument of project reviews; cooperation between the bodies of CRD and MLSA executing respective reviews is efficient a smooth. Whereas the process of reviews is set relatively concentrated, no excessive vibrations of respective activities take place, and the process is regarded as adequately set relative to both the type of project and of applicants. In terms of smoothness of processes, as rather negative is seen the requirement to check any and all tenders on the part of CRD prior to R/SV issuance. That namely is a procedure that will – in practice – potentially slow down the entire administrative procedure including R/SV issuance.
- In terms of capacities within IB 22, IB 62, and CRD, staffing may be classified as sufficient. Owing to the intricacy of the set system, and to the enhanced requirements laid on the coordination of different MLSA and CRD bodies, the evaluator states the risk of ineffective load of respective members of staff – first and foremost in terms of coordination of administration procedures.
- **The total length of the process of an application administration** from the acceptance thereof up to the issuance of RS and to the signature of the Conditions is estimated - depending on the Tender commission session – to take up **100 working days**. In practice, the length of administration processes may extend as a result of a recurrent call for submission of formal particulars (2x15 WD), unconcluded tender proceeding, and a faulty prediction of project procedures, a coordination of the tender commission session. These are factors that can extend the administration process by up to 1 year.
- In regard of the belated launch of the said intervention area, small amount of submitted projects, the given implementation system is classified as a bit slower in terms of the need to quickly realize the projects.

Summary/response to the evaluation query:

- Even in relation to the fact that – at the time of the evaluation taking place – the process of project administration had only been verified on a small number of projects, the set system is found, by the evaluator, fully functional. However, as far as the effectiveness of processes is concerned, the set process (engagement of 2 IB) is classified as rather negative. Though the reasons behind CRD involvement into the process of administration of OI 3.1 projects are obvious (administration capacities, CRD expertness), weak points in the set system were identified by the evaluator; these are largely reflected in lowered processual effectiveness of the given model. In terms of length of the administrative process it needs to be stated that the actual length of the administrative process can in practice stretch out due to, e.g., an unconcluded tender procedure (and it is not solely a tender proceeding for the main subject of the project); all that is not – in the opinion of the evaluator – classified as effective, and the administrative process may be – through narrowing the given condition - shortened.

The selection and approval of projects in intervention area 3.3 is realized by two cooperating independent bodies - MLSA and CRD. Based on an amendment in the Agreement on delegating the tasks of the Managing Authority of IOP and MLSA as of 20 January 2009, a delegation of selected tasks relating management and pursuit of intervention area 3.3 onto CRD took place. The process of administration is realized in 6 phases (in brackets, bodies are set out entering the pursuit of activities):

- Evaluation of acceptability of projects (2 P – CRD officials, approved P – CRD head);
- check of formal particulars (2 P – CRD officials , approved P – CRD heads);

- evaluation of project quality (2 external evaluators, evaluation commission, IB 45);
- ex-ante risk analysis (1 IB 45 official, approved by HD);
- ex-ante control (IB 45, P-CRD control groups, external evaluators);
- tender commission.

Actively involved in the realization of administrative procedures are MLSA in cooperation with CRD. Within the competence of P-CRD officials are first and foremost the following activities:

- Receipt of applications;
- control of acceptability of applications and check of formal particulars;
- project monitoring (receipt of monitoring reports);
- administration of project amendments.

Administration procedures carried out by MLSA officials are described in PPP MLSA. Procedures for CRD officials constitute part of MP -18. Within the intervention area 3.3 solely individual projects are submitted. calls take place in the form of a continual receipt of project applications. Within the period under consideration, any and all activities were announced in intervention area 3.3 – that involves 2 time unlimited calls. As per information obtained from interview conducted heretofore, within the given intervention only 1 project has been registered so far.

The findings listed herebelow are based on the analysis of procedures set out in PPP IB MLSA, MP18 and of documents relating announced calls (the formulation of the call, configurations from IS MONIT7+), using the desk-research method. At the same time, interviews were made with IB MLSA officials – IB 45 and IB 62 teams, on the given topic (2 interviews in total) as well as interviews with CRD (HQ - CRD) officials.

Major findings:

- In intervention area 3.3, a **call in the form of continual receipt of applications** was opted for. The main benefit of the said type of call is first and foremost minimum discrimination of applicants and support of slickly prepared projects without any time limits being set. Within the said area of intervention, the continual type of call may be evaluated as a type of call suitable for the given types of projects and structure of potential applicants.
- **Involvement and cooperation of two different independent bodies within the respective phases of project application administration may be classified as rather a negative way of the implementation system's** set-up in IOP intervention area 3.3. **Given the low number of projects assumed (anticipated are roughly 30 projects altogether)** and the higher number of bodies participating on the administration of the given intervention area (MLSA + regional branches), **cooperation with CRD may be evaluated as a less effective way of implementation of the given intervention area.** Particularly in the phase of reviews of formal particulars and of the check of acceptability, the engagement of respective P-CRD is regarded to be a less effective way of cooperation (involvement of a great number of bodies in the process controlling process vs. small number of projects, the pursuit of procedures that had been delegated onto CRD as part of the administration process of IOP intervention area 3.3, had not been transferred to CRD with full responsibility for the pursuit thereof, a fairly challenging system in terms of information transfer and quality of information transferred).
- As an effective approach in terms of the quality of evaluation of respective projects, **the engagement of external evaluators in the processes of project evaluation** may be classified. In practice, none of the registered projects has reached the said phase; as a result, practical experience gained with the said procedure is impossible to evaluate. Nonetheless, the set up method of evaluation may be - in terms of the type of projects – classified as optimal. As part of the upcoming update of PPP MLSA, engagement of the institute of evaluation commission as well as

engagement of an expert valuation relating the construction part of the project are going to take place. Given the type of projects (construction projects, revamps, build-ups), the said engagement of another expert valuation may be regarded as highly effective a worthwhile in terms of improving the evaluation quality of a given intervention area.

- **As far as smoothness of processes is concerned, the evaluator classifies as rather negative the requirement that all tenders be checked on the part of CRD prior to issuance of an R/SV.** In practice, such procedure will potentially slow down the entire administrative procedure including R/SV issuance. The aforementioned procedure of tender administration and reviewing is – by CRD officials – classified as less a effective way of reviewing relevant tenders, i.e. a procedure that – in practice – lowers the smoothness of the administrative process.
- **The tender commission approving the list of projects is in session – in line with OM IOP terms and conditions – no less than five times a year.**
Given the low number of projects submitted, the said way of approving projects may be classified as optimal. In practice, the said institute has not been verified yet. As a result no practical verification of the given process can be provided.
- As less lucid, and demanding coordination-wise, may be considered the description of processes issuance and completion of the Decision on the provision of a subsidy/Determination of expenses for financial events. Within a short period of time, project folders are submitted to several different bodies within the framework of both MLSA and of CRD - process vibration between different bodies.
- **Staffing within IB 45 and CRD may be classified insufficient or even critical.** Within the framework of IB 45 organizational structure, specification of only 1 work position of project manager devoting 100% of his activities to IOP, took place. Currently talks on an 0,5 work load increase are held with the aim to participate in IOP implementation 3.3. Deputizing of respective officials is in that case insufficient. In practice, participating in the realization of the intervention area are IB 62 officials (i.e. the financial and project manager). The staffing situation of IB 45 is classified as fairly critical.
- **The total length of the process of an application administration** from the acceptance thereof up to the issuance of RS and to the signature of the Conditions is estimated - depending on the Tender commission session – to take up **100 working days**. In practice, the length of administration processes may extend as a result of a recurrent call for submission of formal particulars (2x15 WD), unconcluded tender proceeding, and a faulty prediction of project procedures, a coordination of the tender commission session. These are factors that can extend the administration process by up to 1 year. According to the evaluator, the length of administrative process features a relatively high number of factors, and each can extend the process. The length of the process depends on the quality of coordination of MLSA and CRD working procedures which is – in terms of IB 45 staffing – regarded as a risk factor of the processes of project administration and realization.

Summary/response to the evaluation query:

- Though – by the evaluator - the given model of administration (i.e. engagement of 2 IB) is found less effective, the set system may be classified as functional. Even though the reasons for engagement of CRD in the process of administration of OI 3.3 projects are obvious (insufficient administrative capacities of MLSA, CRD expertness) risks of processual inefficiencies within the given model were identified on the part of the evaluator. Given the belated launch of the said intervention area, and given the low number of projects accepted at the time of the evaluation taking place (1 registered project only), the duration of the project approval process is seen as relatively long.

The selection and approval of projects in intervention area 3.2 is realized in phases (in brackets, bodies entering the selection are set out):

- Project acceptance evaluation projects (2 EF/2 officials, approval subject not quoted, and collaboration of other EF departments);
- check of formal particulars (2 EF/2 officials, approval subject not quoted, collaboration of other departments);
- project quality evaluation (2 external evaluators, guarantee for reviews carried out - Head of EF/2);
- evaluation commission (7 members of evaluation commission, guarantee for carrying out the complete processes – Head of EF/2);
- ex - ante risk analysis (1 EF/2 official, approval by Head of EF/2);
- monitoring ex-ante visit, and/or a public authorities control on the spot (guarantee EF/4, attendance in monitoring visit of EF/2, concurrency with EF/1, EF/3);
- risk analysis after ex-ante review (1 EF/2 official, approval of EF/2 output, concurrency other EF department);
- tender commission (9 members).

The project passes through respective phases on the assumption of meeting the set terms and conditions ensuing from the evaluation performed. Evaluation terms and conditions are clearly and lucidly set. Upon project selection and approval, the **assembly of dossier** (i.e. of Registration list, Decision/Determination of expenses/Minister letter) needed for the provision of the subsidy takes place. It is an area of activities into the realization of which multiple bodies are involved, namely both from the internal circle of IB HM (EF/3, INV) and from the external one (MF, beneficiary). Within the intervention area 3.2, calls take place in the form of time-limited calls materialized as per a set schedule of calls.

In total, within the framework of announced calls, accepted were 83 projects, with an average number of projects per one call equaling 20. In practice, the average length of administration up to project approval is 3 months (OM stipulates 74 WD, i.e. roughly 3,5 months). Altogether 64 projects have been approved by the selection commission so far; 3 projects have completed their realization stages.

The subject area of administrative procedures in intervention area 3.2 was evaluated on the basis of criteria listed herebelow:

- evaluation of the formal set-up of organization of the process, appropriateness, and effectiveness of engagement of respective bodies participating in the realization of administrative processes;
- cohesion a set-up of respective processes;
- appropriateness and effectiveness of the set-up of respective time limits;
- provision of staffing for the pursuance of administrative activities.

The below mentioned findings are based on the analysis of procedures set out in OM IB GG HM and in documents relating the realized call (the formulation of the call, spreadsheets from IS MONIT7+, the Statute and Rules of procedure of VK) using the desk-research method. At the same time, interviews with EF/1, EF/2, EF/3, and EF/4 officials on the given topic were conducted (4 interviews in total).

Major findings:

- In intervention area 3.2, opted was a call in the form of **announcement time-limited calls**. Within the given intervention area, the said form of calls is regarded as an effective instrument for the coordination of project preparation, coordination of EFD working procedures and – last but not least – **as a natural motivation factor for the presentation of projects** for applicants – realization of an actual competition among relevant projects. Despite the fact that in some calls – in intervention area 3.2 (e.g. in 3.2a) practically a minimum competition in project

intents typically occurs (given the specification of potential applicants and of call conditions), the time-limited type of call may – in terms of the type and size of projects – be regarded as optimal.

- Both the engagement and cooperation of bodies (EF/2, EF/3, EF/4, INV) within the respective phases of project application administration may - at the level of respective IB HM departments – be marked as fully functional; the evaluator did not come across any inefficiencies in the system concerned.
- **Engagement of external evaluators in the process of project evaluation** is seen as an effective approach towards evaluation. Communication with evaluators, as well as observance of time limits set for the evaluation, is evaluated by IB HM officials as rather controversial. Experts are selected inline with according to relevant qualifications relative to project activities. Experts undergo an evaluator training scheme, are made acquaintant with the terms and conditions of evaluation, and will ensure the comprehensive view that must be present in each expert´s evaluation (evaluation of impact upon horizontal topics, etc.). The ex-post check made by the evaluation commission – given the intricacy and size of respective projects with an average contracted amount equaling CZK 70 million per project – is regarded as a procedure eliminating potential deficiencies in project evaluations made by external evaluators.
- **Reviews of projects (risk analysis, ex-ante control, public authorities control) are – by EF/2 and EF/4 officials – regarded as** established instruments for project reviews; processes and cooperation among bodies performing respective activities are clearly distributed and no instances of processual ineffectiveness are found. Within the review of the bidding procedure that is realized in 6 phases, professional cooperation with an expert company is made use of. A review of bidding conditions of respective projects is – in terms of the type and size of projects concerned – one of the most critical checks of an effective draw-down of IOP funds. That is why the particularity of the given step is classified as a strong point.
- In the phase of project approval, **the impact of the tender commission** is classified as relatively strong. The tender commission has the power to re-obligate the allocation amount, to reject a project, to revise the verdict of the evaluation commission in terms of cuts in project budgets. Powers entrusted to the VK are relatively wide, and potential disputes may result in non-efficiencies within the entire system. In practice, however, the aforementioned problem was not identified.
- **Officials in EF/3 evaluate rather positively the engagement of MF** in the administrative process in the phase of approval of the Registration list and of the Decision on the provision of a subsidy/Expenses determination. The system of MF engagement is evaluated as a flexible cooperation procedure without any communication ineffectiveness.
- Due to the growing experience of EF/2 officials, the process of control and evaluation gets significantly accelerated, with the observance of time limits no longer being considered a problem. However, in order to more effectively spread the working activities and load of respective officials, it might be suitable to improve the coordination of announcing respective project calls.
- The total length of the application administration process from the acceptance thereof to the issuance of RS and the signature of the Conditions equals **83 working days**. Currently the time limit for project administration is managed to be met without any identification of an increased load of officials at the respective departments.
- **The realization phase is – in the evaluator´s opinion – regarded as a process of project realization ensuing from OM IOP** which sufficiently enough reflects the specific procedures of respective projects (such as, e.g., different forms of financing as per the type of applicants, consistent review of tender proceedings, etc.). The control system of respective projects in the realization phase is set more consistently than required by OM IOP (with 100% of sample of project in realization phase being checked) which is – by the evaluator – regarded as an effective procedure in the light of the type and size of projects realized.

- **In terms of capacities, staffing** within EF/2 may be classified as sufficient provided that respective calls are announced on a step-by-step basis. However, in case that calls are announced on a common date, staffing of EF/2 is seen insufficient. The personnel capacity of EF/4 is classified as negative; it needs to be increased by two working positions.

Summary/response to the evaluation query:

- Administrative procedures set within the intervention area 3.2 are evaluated as adequate relative to the character of support and type of beneficiary. The opted for administrative model of one IB provides sufficient flexibility and promptness of realized procedures; administrative processes are not burdened with excessive oscillation in activities, and with the active engagement of external evaluators in the process of project selection, an expert view on the submitted projects is ensured. The length of project administration is set in line with OM IOP; as part of the analysis, the deadlines set for the respective processes were found optimal.

Intervention area 5.1

Introduction:

Responsible for the selection process and approval of projects in intervention area 5.1 is IB MC. The selection and approval of projects in intervention area 5.1 is realized in 5 phases (listed in brackets are bodies entering the selection):

- Project acceptance evaluation (2 IMD, approval of SDSB, collaboration in the form of ILD consultations, IDPM, IDFM, external expert);
- check of formal particulars (2 IMD officials, approval of SDSB, collaboration in the form of ILD consultations, IDFM, external expert);
- evaluation of project quality (2 external evaluators, carrying out of IDPM check, approval of SDSB);
- ex-ante risk analysis (2 IDPM officials, approval of SDSB);
- monitoring ex-ante visit, and/or public authorities control on the spot (attendance of monitoring visit, and/or public authorities control on the spot, IMD, ILD, IDFM, IDPM, external expert, and/or public authorities control of OIAK);
- tender commission (solely relating the call for 5.1c).

The project passes through respective phases given that set terms and conditions – ensuing from the evaluation carried out - are met. Though in the procedures, the option of closing the evaluation without a selection commission (i.e. skipping phase 6) is mentioned, such option is presented without any more detailed clarification of instances when it is applicable.

In case that the two evaluators arrive at a diverse evaluation in phases 1 – 3, the institute of arbiter is established, executed by SDSB. After the selection and approval of the project, the documentation is completed (i.e. the Registration list, Decision on the provision of a subsidy/Expenses determination for OES incl. Conditions necessary for the provision of the subsidy. It is an area of activities into the realization of which engaged are multiple bodies, namely from the internal circle of IB MC (IDPM, IDFM), and the external circle (MF, IOP MA, beneficiary).

Within intervention area 5.1 only individual projects are submitted. calls are made in the form of continual receipt of project applications.

Over the evaluated period, 1 call was announced for activities 5.1a and 5.1b. The call for was launched on 5 December 2008, with the completion assumed to take place on 1 December 2012. In activity 5.1b, acceptance of the project was

however terminated as early as on 29 October 2009, and in activity 5.1a, the termination is dated as at 29 January 2010 – due to the drained allocation. While the minimum amount of subsidy was – as part of the call – set to equal 100 million CZK, the maximum amount of subsidy is set to equal 500 million CZK. In First call, altogether 34 project applications were submitted to the date of evaluation, of which 7 have been approved so far (5 projects currently are in realization phase). At the date of evaluation, the process of selection in First call is not completed.

The subject area of administrative procedures within intervention area 5.1 was evaluated based upon criteria listed herebelow:

- Evaluation of the formal set-up of process organization (incl. opted for forms of call) and of appropriateness and effectiveness of engagement of respective bodies participating in the realization of administrative processes;
- cohesion a set-up of respective processes;
- appropriateness and effectiveness of the set-up of respective time limits;
- assurance of personnel staffing for the pursuance of administrative activities.

The findings set forth below were made on the basis of an analysis of procedures listed in OM IB MC and documents for the realized call (i.e. the formulation of the call, configurations from IS MONIT7+), using the desk-research method. At the same time, directed interviews were conducted with the officials of SDSB, IMD, ILD, IDPM and of IDFM, on the given topic (altogether 5 interviews).

Major findings:

- In intervention area 5.1, the **continual-application-acceptance form of call** was opted for. Generally, that form is more suitable for subsidy titles with a smaller (or rather limited) number of potential applicants, particularly in instances when competition among projects is not anticipated. The weak points of the said form became evident in First call of intervention area 5.1, largely in the demandingness in terms of financial management of the call-related allocation (in practice terms, evident became the lack of experience of IB with the management of calls, and insufficient coordination between MA and IB within the said area), in the necessity to define exact rules reflecting the specifics of the given form of call (in practice, an absence of such rules is felt; instead, specific situations tend to be tackled *ad hoc*). Unfilled remained even the original idea of IB MC, assumed at the time of the call being set, namely that among the projects, no competition in the true sense of the word will take place (the open-type of contest was given preference upon the announcement of the call). The consequence of the abovementioned facts is the increase of allocation of the said call to the detriment of activity 5.1c, which may have further implications in terms of realization and fulfillment of targets of the entire intervention area of 5.1.
- **Engagement and cooperation of bodies within the respective phases of project application administration** may be – on the level of respective IB MC departments classified as functioning and free of communication troubles. In terms of effectiveness and assurance of the quality of the administrative review of the project, positively evaluated may be the cooperation of IMD with ILD, IDPM and IDFM in the phases of evaluation of acceptability and of the check of formal particulars. Less effective, however, appears to be IMD participation in monitoring visits (and/or ex-ante public authorities control on the spot), namely particularly in terms of the subject of reviews, and in terms of the time load of the department concerned. The cooperation of IB and IACS in case of public authorities control on the spot cannot be evaluated yet as none has been realized to date. Apart from that, cooperation with IACS is in its early days – the position of IACS official responsible for the execution of reviews within intervention area 5.1 was only filled in early 2010.
- As part of administration of project applications, IB MC employs the services of **external experts** - particularly in the phase of evaluation of project acceptability. The reason here is first and foremost ensuring expert evaluation

in the area of public support. The rules for the selection of external experts are set forth in OM IOP. The IB MC does not dispose of an expert database, or rather does not find the need thereof as topical in a situation when no actual need of using the services of experts for a different area has been defined. The evaluator nonetheless finds the absence of the database as problematic, particularly in relation to the assumed utilization of the services of external experts in the phase of project realization reviews (see evaluation query No. 9). Moreover, there is the potential possibility that – pending the process of project selection currently in place – the need of having a project evaluated by an expert in an area other than that of public support, may occur. According to the opinion of the evaluator, the absence of the data basis is an impediment to a flexible response to an arising need of ensuring expert evaluation of a project in specific areas.

- **The institute of the tender commission** in the phase of project approvals was incorporated into WPM IB MC (as well as into the project approval process) only after the announcement of First call and will only be applied in further calls. As a result, at the moment, the impact of engagement (and/or of absence) of the tender commission in the project approval and selection process, cannot be evaluated.
- As problematic – in intervention area 5.1 – needs to be evaluated the role of **MF** in the process of project administration in the phase of approval of the Registration list and of the Decision on the provision of a subsidy/Determination of the Costs for OES, including Conditions. Problems are particularly identified in communication between IB MC and MF (or rather the official concerned), and in failure to observe time limits established for the given activity on the part of MF, first and foremost due to absence of deputizing of the said MF official, and absence of instruments to enforce the observance of time limits. The implications of the abovementioned facts is an extension of the period needed for project administration prior to the approval of the Decision on the provision of a subsidy/Expenses determination for OES, including Conditions, and a delay in the commencement of the realization of projects.
- **In terms of capacities, staffing** within IMD and IDPM may be classified as sufficient in the phase of start-up and pending the First call, marked by a stretched-in-time submission of project applications. Problematic, however, appears to be the capacity of both departments in the phase of call conclusion (cumulation of a greater amount of applications) as well as in case of calls in the more advanced phase of program implementation, characterized by increasing administration and control of realized projects. Moreover, what invariably needs to be taken into consideration in case of IMD officials is the wide scope of responsibilities allocated within IB MC. In terms of staffing, the critical point in the process of project administration is the position of MF official approving Registration lists and the Decision on the provision of a subsidy/Expenses determination for OES. As already mentioned above, the absence of deputizing of the said official has an impact upon the slowdown of the process. Another problematic point to do with staffing is the low number of external experts disposing of the expertness in the field of public support.
- **The total length of the applications administration process** is – from acceptance to the issuance of RS and signature of the Conditions equals 89 working days. In practice, however, the said length tends to be exceeded. As critical points resulting in extension of the application administration, identified were the evaluation of projects on the part of an expert in the phase of acceptability review (given the limited number of experts on public support, the time limit set out for the project evaluation is not always observed), the settlement of findings made in acceptability reviews and checks of formal particulars on the part of the applicant (for each review, a time limit of 15 working days is set for the settlement of findings, with the possibility of one repetition of the given time limit, should the first settlement prove to be unsatisfactory, i.e. a total of 30 working days for each type of review) plus approval of the Registration List of the project and of the Decision on the provision of a subsidy (Expenses determination for OES, including Conditions on the part of MF (with a set time limit of 15 working days that is fails to be observed in practice).

Summary/response to the evaluation query:

- [• Bearing in mind the character of support and the type of applicants/beneficiaries, the evaluator finds the set-up of administrative procedures for the selection of projects problematic – namely in terms of the form of the call, and of the critical points leading to an extension of administration time limits necessary for the evaluation of a project (evaluation of projects on the part of external expert, settlement of findings from reviews of accessibility and of formal particulars on the part of applicants, approval of the Registration list of the project and of the Decision on the provision of a subsidy/Expenses determination for OES, incl. Conditions, by MF). Moreover, both the length and quality of project evaluation may be negatively impacted by insufficient capacities of IMD and IDPM in both the phase of closure of the call (cumulation of a greater amount of applications) and in case of calls in the more advanced phase of program implementation, when administration grows, as do reviews of realized projects. As a potential risk in terms of the length and quality of the selection of project, the absence of a databasis of external experts is seen by the evaluator. In consequence, the ability to flexibly respond to hot needs of expert evaluation of a project, may drop.

CRD participates on project administration on the basis of the Decision No. 55/2008 of the Minister for Local Development. Basic rules and particulars of administrative procedures (i.e. procedures for announcement of the call, selection of projects, and the realization thereof) are governed by OM IOP, Chapter A-4 - Administration procedures, stipulating solely minimal binding requirements for respective activities and documents; relevant procedures of IB working activities are worked up in their own manuals. CRD procedures are specified in MI-18. The document offers a more detailed description of activities relating administration of projects within the respective phases of reviews and selection of projects which the IB is engaged in.

The selection of respective projects takes place on the basis of evaluation of applications for a subsidy – in line with a set of selection criteria approved by the Monitoring Committee of IOP (part of OM IOP). Generally, the selection of projects is realized in 6 phases (in brackets, bodies entering the selection are indicated):

- Project acceptance evaluation (2 P-CRD officials, approval of senior official of P-CRD);
- check of formal particulars (2 P-CRD officials, approval of senior official of P-CRD);
- evaluation of project quality (external experts);
- ex-ante risk analysis (authorized /-CRD official, approval of manageress of P-CRR);
- ex-ante review – administrative control - ex-ante monitoring visit, and/or control on the spot, or a public authorities control, including a check of understanding of monitoring indicators (P-CRD, approval of senior officer of P-CRD; he or she will determine the form thereof; MA in case of public authorities control);
- selection commission – the institute of the selection commission is only used in case of activity 4.1d.

The projects passes through respective phases given that set terms and conditions – ensuing from the review or evaluation carried out - are met.

Though in the procedures, the option of closing the evaluation without any selection commission (i.e. without undergoing Phase 6), the option is presented without any more detailed clarification of instances when it is applicable. After the selection and approval of the projects, the documentation needed for the subsidy to be granted is completed (i.e. the Registration list, Decision on the provision of a subsidy/Expenses determination for OES⁹ incl. Conditions). The said phase is entered by multiple bodies (P-CRD, Head of P-CRD, HQ CRD, MA, beneficiary).

⁹ i.e. organizational components of the state (OCS)

Within the period under review, announced were altogether 2 calls – one of the continual type, and one of the time-limited type. In total, as at 7 January 2010, accepted were 32 projects, of which 8 projects are projects in the period of realization.

Intervention area 4.1 is specific in that it is dual-targeted – with activities oriented towards *Convergence* target and, mirror-wise, even into the *Regional competitiveness and employment* target. Projects are of national and systems significance. What moreover is specific, is the narrow and specific circle of potential applicants.

The subject area of administrative procedures within intervention area 4.1 was evaluated based upon criteria listed herebelow:

- Evaluation of the formal set-up of process organization and of appropriateness and effectiveness of engagement of respective bodies participating in the realization of administrative processes;
- cohesion a set-up of respective processes;
- appropriateness and effectiveness of the set-up of respective time limits;
- assurance of personnel staffing for the pursuance of administrative activities.

The findings set forth below were made on the basis of an analysis of procedures listed in IOP (OM IOP, including annexes thereof, further of MI-18, of the documentation issued for the call within the intervention area under review and of configurations from IS MONIT7+), using the desk-research method. At the same time, directed interviews were conducted with IB officials (HQ CRD and P-CRD Central Bohemia).

- In terms of orientation of intervention area 4.1, also used in **organizational model is** - apart from the engagement of MA and IB CRD – the institute of expert guarantor, i.e. the Tourist Industry Section of MLD, and can be evaluated positively. The purpose of the guarantor largely is to properly target the focusing of the subsidy provided from IOP. Through engagement of CRD in administration, monitoring and review of projects, a quality implementation of IOP is ensured, as CRD is a subject boasting with long-term expertise in the area of drawing financial means from SF. Hence, the utilization thereof may be – in terms of MA capacities – classified as an asset.
- **Engagement and cooperation of relevant bodies involved in respective phases of project administration may be evaluated as relatively effective**, first and foremost in terms of the character of the support orientation. Though roles and powers for relevant activities within the administration process got clearly delineated, several problem areas are apparent in the set implementation model; any of those can lower the effectiveness of the given cooperation. These comprise:
 - The pursuit of activities entrusted to CRD within the process of intervention area 4.1 – was not passed over to CRD with full responsibilities and powers.
 - Communication between P-CRD and IOP MA proceeding always via HQ CRD is considered to be a risk point in terms of effectiveness of procedures – first and foremost in terms of observance of the time periods set for respective activities.
 - Professional qualifications of P-CRD. Based upon the even increasing requirements on the savvy and expertness of P-CRD it may be stated that both the and specifics of the huge breadth of respective areas of intervention that are under the P-CRD's gestion (2.1, 3.1, 3.3, 3.4, 4.1, 5.2, 5.3 of IOP) are – within a certain extent – a limiting factor in implementation of respective calls.
- In intervention area, selected were both the **call in the form of a continual receipt of applications, and the time limited type of call (activity 4.1d)**. As the main benefit of the continual-form call, first and foremost the support of

lickly prepared projects without any time limitation is seen. Conversely, as a negative factor of the instrument opted for is largely the necessity of having slickly prepared the call and the related documentation from the very start, so that equal terms and conditions are maintained for all potential applicants. The continual type of call may be – in terms of the significance of the intervention area explored – classified as suitable for both the given type of projects and the structure of potential applicants. The time-limited type of call is – for the activity opted for – considered to be an effective instrument of project preparation coordination, and a natural factor motivating relevant agents to submit projects and engage in a competition therewith.

- Emerged as a relatively limiting factor has the necessity to split project intents into two applications for a subsidy, namely according to the targets of Convergence and Regional competitiveness and employment which – given the increased administrative burden of applicants/beneficiaries – may lead to a drop in the interest in submitting projects, largely in activity 4.1d.
- Monitoring of projects constitutes a standard system of checks (both administrative and physical – in a breakdown as per the moment of execution of a given check relative to project realization). Moreover, CRD focuses on a timely identification of possible problems and wrongdoings occurring upon the placement of public orders. That however is a point of implementation that may be in general terms – despite all effort – regarded as risky in terms of implementation of projects and hence of even the program, as this area is for projects by its very nature (with tender/bidding procedures constitute – with the volume of financial means constituting the essence of the project) and due to the orientation of EC reviews and audits fairly important. Continuous attention needs to be devoted thereto even in future.
- **Respective activities pursued within the framework of administrative procedures are mutually logically interlinked.** However, the description of these activities is – at places – less lucidly arranged in both OM IOP and MI-18 (e.g. the problem area of the assembly of documentation for the provision of a subsidy, and of reviews of the respective types thereof).
- **Time limits for respective activities** are clearly set and in general may be classified as adequate. Highlighted as a risk point may be the process of completion of the documentation necessary for the provision of a subsidy. Multiple bodies are entering the said process; as a result, it is challenging in terms of both coordination and meeting all time limits set. Nonetheless, from the total analysis it follows that the system of information and relevant outputs conveyance is well established and is not causing any concern in practice, the time limits are duly met. Another potential weak spot is the preparation of the call announcement, namely largely due to the intricate amendment proceedings. And still, the correct set-up of the call parameters, including IB and the call-related documentation, constitute one of the elementary pre-requisites of the successful implementation of the program.
- **Personnel staffing in terms of administrative capacities in CRD may be classified as sufficient**, i.e. providing for a proper implementation of IOP, including assurance of quality methodology support for applicants/beneficiaries. Nonetheless, in relation to the constantly increasing requirements, and in terms of the relative complexity of the entire system, an increased risk of ineffective workload (in the sense of excessive workload) of respective officials relating the coordination of administration procedures may be stated.

Summary/response to the evaluation query:

- With regard to the orientation of intervention area 4.1, in pursuance of the organizational model, utilized is - apart from the engagement of MA and IB CRD – moreover the expert guarantor institute, i.e. the Tourist Industry Section of the MLD, which may be classified, within the given context, as an asset. Through the engagement of CRD in project administration monitoring and reviews, the quality of IOP implementation is ensured. The CRD namely is a subject with long-term expertise in the area of drawing financial means from SF, and it moreover disposes of sufficient expert staff. The engagement thereof may hence be classified – based on the carried out analysis and on the respective findings relating the capacities of MA – positively. Despite the multiple bodies engaged and the

problem areas revealed, it may be stated that the analyzed intervention area is administered without any major problems, and that the system of communication between respective bodies is deep-rooted. Partial deficiencies identified are not of paramount or systems character.

- What turned out to be a relatively limiting factor which needs to be – in connection with the analysis performed – highlighted, is the necessity to split project intents into two subsidy applications, depending on the target of the Convergence and Regional competitiveness & employment documents. That – in relation to increased administrative load of applicants/beneficiaries – may result in a drop of interest in submission of projects largely within activity 4.1d, and may ultimately impact upon ensuring smooth implementation and fulfillment of the $n+3/n+2$ rule in pursuance of the intervention area concerned.

Intervention area 5.2

Introduction:

A pre-requisite for submission of applications into the said intervention area and for the actual drawing of financial means through projects, is a prepared Integrated Municipal Development Program (IMDP), approved by MLD that delineates the troubled municipality zone pursuant to Art. 47 of ES Regulation No. 1828/2006. The document concurrently sets forth targets and measures for improvement of the situation in the troubled zone (prevention of social decline, segregation and the formation of ghettos of socially proscribed persons in living estates), a time and financial schedule ensuing from an indicative list of projects, administrative backing, and the method of the selection of projects submitted in intervention area 5.2. The selection of IMDP (the strategic framework of the subsidy in a municipality with a population exceeding 20,000) takes place on the basis of a submitted application (i.e. IMDP document, including annexes) in compliance with a set of selection criteria approved by IM IOP. On the selection of 5.2 projects, the municipality participates - as the IMDP holder. Evaluation is made pursuant to pre-set selection criteria approved by IOP MA that are part of the respective approved IMDP. Preceding such evaluation is the acceptance of project applications at the CRD. Projects selected by the municipality may only be rejected by IOP MA if and when the terms and conditions of the program fail to be met.

The IMDP as such is administered by MRD – and participating thereon are RW MLD, DHS MLD, and MA. CRD only participates on the administration of 5.2 projects. In general, the selection of projects is – in IOP - realized in 6 phases; nonetheless, in pursuance of the intervention area explored, variations as indicated herebelow exist. Within 5.2 area of intervention, a two-level selection system is in place:

Table 17: System of 5.2 project selection

Level of selection	Phase of selection	Subject
1. IMDP	Check of formal particulars	2 RW MLD (former OSKP) officials, confirmation of DHS MLD correctness
	Acceptability check	2 RW MLD (former OSKP) officials, confirmation of DHS MLD correctness
	Evaluation of quality	evaluators nominated by the local development minister
	Tender commission	Members of Tender commission
2. Projects 5.2	Acceptability check and check of formal particulars, evaluation of quality	Municipality (holder of the approved IMDP)
	Acceptability check	2 P-CRD officials, approval by Head of P-CRD
	Control formal particulars	2 officials P-CRD, approval by Head of P-CRD
	Ex-ante risk analysis	Authorized P-CRD official, approval by Head of P-CRD
	Ex-ante control ¹⁰	P-CRD, approval by Head of P-CRD who will determine the form thereof; IOP MA in case of public authorities controls
	Approval	IOP manageress

i.e. administrative control, ex-ante monitoring visit, and/or an on-the-spot check, or a public authorities control

The project passes respective phases provided that the set terms and conditions - ensuing from the executed review or evaluation - are met. Upon the completion of the selection of projects and upon the approval thereof, the documentation (i.e. that of Registration list, Decision on the provision of a subsidy, Conditions) necessary for the provision of a subsidy, is assembled. The said phase is entered by multiple bodies (such as P-CRD, P-CRD manageress, HQ CRD, MA , and the beneficiary).

One continual call was announced within the period under consideration. As part of it, as at 7 January 2010, accepted were 88 projects; of those, 4 are in realization. The relatively slippery system of project realization – with the elaboration and approval of IMDP constituting a pre-requisite, caused a certain delay in the submission of 5.2 projects proper.

The issue of administration procedures applicable in intervention area 5.2 was assessed based upon the criteria set forth herebelow:

- Evaluation formal set-up organization process and appropriateness a effectiveness engagement respective of bodies participating in realization administrative processes;
- cohesion a set-up respective processes;
- appropriateness a effectiveness set-up respective time limits;
- ensuring staffing for the execution of administrative activities.

The findings listed herebelow were made based upon an analysis of procedures set forth in IOP documents (i.e. OM IOP, including annexes thereof, namely particularly of A.4-16 - *Administration procedures in the area of IMDP implementation*, and A.4-17 - *Decision of the minister on delegating activities in the area of IMDP implementation* IMDP, as well as MI-18 and the documentation issued for the call within the intervention area concerned, configurations from IS MONIT7+), using the desk-research method. As a follow-up to the analyses, interviews with IB officials (i.e. HQ CRD and P-CRD Central Bohemia) were performed.

Major findings (common):

- The opted for **organizational model** of implementation – upon the utilization of the new way of drawing EU financial means (i.e. through IMDP) entails - on the one hand - both the provision of expertness and of sufficient and first-rate administrative capacities. Contrary to other areas of intervention, the implementation model for intervention area 5.2 is specific in that the framework of the subsidy is epitomized by the strategic municipality document (IMDP) approved in the first instance; building on the former are respective 5.2 projects submitted by different bodies seeking to actually draw financial means; another specificity is that the model is entered by multiple bodies. Critical in terms of practical realization of intervention area 5.2 is the **coordination of respective agents participating in the implementation**, meaning that – for the fulfillment of the said pre-requisite – the role of MA within the given area is supposed to be large. It was confirmed in practice that MA goes into maximum effort to ensure effective operation of all bodies. The existence of an MLD (DHS MLD) expert guarantor is key importance in terms of proper channeling the support of urban development towards prevention of social decline, segregation and the formation of ghettos of socially proscribed persons in living estates. Engagement of OPB and RW MLD in the administration of IMDP as such is a logical unraveling in terms of expertness of the agenda and – at the same time – lower requirements laid upon the administration thereof (without really drawing financial means and the necessity of a check). Though the engagement of RW MLD is suitable in terms of accessibility thereof in respective regions, it may act as a further complication of the system with so many bodies engaged. For project 5.2 administration of key significance is CRD, and/or MA, as well as the municipality as the IMDP holder carrying out the evaluation of the quality of projects, hence participating in the creation of the pre-requisite for the projects to succeed in further phases of project evaluation and selection. The engagement of CRD is evaluated as effective largely due to the accessibility thereof in the regions, and due to CRD experiences contributing to a successful implementation of the intervention area. In order to ensure a successful realization of pilot projects

oriented upon improvement of the environment in proscribed Roman communities (5.2c) set up - above the framework of the above described structures – was moreover a work group (PILOT work group) syndicating all bodies concerned; the work group gathers on a regular basis. It helps find a solution plus efficient mechanisms to support a solution of unpopular issues among the residents, ensure a positive publicity for municipalities putting in place support schemes of social interaction. In terms of realization of 5.2c activities, it is an instrument for the achievement of a maximum efficient course of implementation in practice.

- As a potentially problematic point, the process of the **provision of information to potential applicants** appears. In the phase of project preparation, information is provided to the applicants from multiple places - in case of IMDP pursuant to OM IOP moreover through DHS MLD; in case of 5.2 projects via CRD information spots (i.e. HQ and regional branches) and MA, and/or via the IMDP manager of the given municipality. At the applicants' eyes, the system may at first sight seem to be hugely untransparent, and **moreover the risk of inconsistency of information provided** arises. Despite of that all, a certain distribution of information sources exists, intensive training courses for respective agents are run. An evaluation of questionnaires filled in by selected beneficiaries (see evaluation query No. 8) moreover – on the topic of provision of information – reveals a fairly positive experience gained with the quality of methodology support on the part of CRD.

Personnel staffing in terms of administrative capacities in CRD may be classified as sufficient. It provides for a proper implementation of IOP, including assurance of quality methodology support for applicants/beneficiaries. However, in relation to the constantly increasing requirements, and in terms of the relative complexity of the entire system, an increased risk of ineffective workload (in the sense of excessive workload) of respective officials relating the coordination of administration procedures may be suggested.

Major findings (IMDP-specific):

- **The engagement and cooperation of respective bodies engaged in respective phases of project administration on the level of IMDP may be evaluated as relatively effective,** namely largely in terms of the origination of the subsidy. Within the said context, the role of expert guarantor, fulfilled by the aforementioned MLD section, may be evaluated as positive.
- **Time limits pro respective activities** are clearly set and may – in general – be considered as adequate.
- A potential weak spot in terms of observing deadlines, and collaboration of all bodies engaged in implementation is the preparation of the announcement of a call, largely due to the intricate amendment process. And still, a correct set-up of call parameters - including IB and the call-related documentation - comprise one of the major pre-requisites for a successful implementation of the program.

Major findings specific for 5.2 projects:

- In pursuance of **project 5.2 administration, the set system may be classified as rather effective.** Even though a clear delimitation of roles and powers for respective activities pursued within the administration process, several problem areas are clearly evident in the set model; any of those may decrease the effectiveness of the given cooperation. These comprise:
 - The pursuit of activities entrusted to CRD within the process of intervention area 4.1 – was not passed over to CRD with full responsibilities and powers.
 - Communication between P-CRD and MA proceeding always via HQ CRD is considered to be a risk point in terms of effectiveness of procedures – first and foremost in terms of observance of the time periods set for respective activities.

- Professional qualifications of P-CRD. Based upon the even increasing requirements on the savvy and expertness of P-CRD it may be stated that both the and specifics of the huge breadth of respective areas of intervention that are under the P-CRD's gestion (2.1, 3.1, 3.3, 3.4, 4.1, 5.2, 5.3 of IOP) are – within a certain extent – a limiting factor in implementation of respective calls.
- For 5.2 project, opted for was a **continual-receipt-of-applications type of call**. The key benefit of the said type of call is largely the support given to slickly prepared projects without any time limitation. By contrast, the con of the instrument opted for is first and foremost the necessity to slickly prepare the call at the very outset, so that equal terms and conditions are maintained for any and all potential applicants. The continual type of call for 5.2 projects – ranging within the financial framework of funds allocated to the IMDP of the municipality concerned – may be classified as suitable for the said project types and structures of potential applicants.
- A problem revealed within the evaluated intervention area is lack of experience on the part of applicants - in case of calls for projects 5.2 - with the preparation of the project (subsidy applications and annexes thereto), plus the management of project realizations incl. anything and all that the said phase brings with it (changes in projects, preparation of payment claims, and monitoring of progress achieved in project realization).
- Monitoring of 5.2 projects constitutes a standard system of checks (both administrative and physical – in the breakdown as per the moment of execution of a given check relative to project realization). Moreover, CRD focuses on a timely identification of possible problems and of wrongdoings relating the placement of public orders. That however is a point of implementation that – despite all effort – may in general terms be regarded risky in terms of the implementation of projects and - hence - even of the program. That namely is an area that - by its very nature (with tender/bidding procedures constitute – with the volume of financial means constituting the essence of the project) and due to the orientation of EC reviews and audits is viewed as of key importance. Close attention needs to be continually paid thereto.
- **Respective activities pursued within the framework of administrative procedures are mutually logically interlinked.** However, the description of these activities is – at places – less lucidly arranged in both OM IOP and MI-18 (e.g. the problem area of the assembly of documentation for the provision of a subsidy, and of reviews of the respective types thereof).
- **Time limits for respective activities** are clearly set and in general may be classified as adequate. A bit different is the situation concerning the overall length of 5.2 project administration; it can be classified as less optimal. The total length of the administration process - up to the assembly of the Decision on the provision of a subsidy with the Conditions (except for quality evaluation performed by the municipality prior to acceptance of the project at CRD) – comprises approximately 107 working days. Nonetheless, the length of the process review and project selection processes is moreover fairly significantly extended by Phase I in which 5.2 projects are evaluated by municipalities.
- As another potential risk point, highlighted may be the process of assembly of documentation necessary for to be granted a subsidy. With multiple bodies entering the process, it is challenging in terms of both coordination and in observing the established time limits. However, as has ensued from the overall analysis, the system of conveying information incl. respective outputs is deep-rooted and does not pose any concerns in practice; time limits are observed.

Summary/response to the evaluation query:

- The implementation model opted for – upon the utilization of the new way of drawing EU financial means (i.e. through IMDP) entails - on the one hand - the provision of expertness (expert MLD guarantor) and of sufficient and first-rate administrative capacities (first and foremost CRD). On the selection of 5.2 projects (in quality assessment phase), an external subject moreover participates; it is the municipality – as the holder of IMDP. That is a fact that is logically substantiated, yet considerably extends the time limit from preparation and submission up to the

approval of a 5.2 project. The engagement of CRD is evaluated as effective largely due to the accessibility thereof in regions, and due to CRD experiences contributing to a successful implementation of the intervention area. In order to ensure a successful realization of pilot projects oriented upon improvement of the environment in proscribed Roman communities (5.2c) set up was - above the framework of the above described structures - moreover a work group (PILOT work group). A partial risk in terms of realization of the intervention area is that of lack of experience on the part of applicants (submitters of 85.2 projects. Even though various measures have been adopted to eliminate the risk, and consistent implementation thereof needs to be ensured. Despite the multiple bodies engaged and the problem areas revealed, it may be stated that the analyzed intervention area is administered without any major problems, and that the system of communication between respective bodies is deep-rooted.

- Though involved is a rather complicated multi-level system, and though the implementation of projects with actual drawing financial means has - contrary to expectations - run somewhat late, it may be stated that MA in cooperation with IB CRD took steps to ensure the fulfillment of the $n+3/n+2$ rule (provision in Agreements on safeguarding IMDP realization, consistent methodology support of municipalities/applicants/beneficiaries, cooperation of all agents) and to ensure continual drawing; as a result, the realization of the said intervention area is not assumed to be jeopardized.

Intervention area 5.3

Introduction:

CRD participates on the administration of projects on the basis of the Decision No. 55/2008 of the minister of local development. Basic rules and particulars of administrative procedures (i.e. procedures for the announcement of a call, selection of projects and the realization thereof) are governed by OM IOP, Chapter A-4 - Administration procedures, stipulating solely minimal binding requirements laid upon respective activities and documents, whereas procedures of IB working activities are worked up in their own manuals. CRD procedures are specified by MI-18, that being a document that brings a more detailed description of activities relating the administration of projects in the respective phases of reviews and project selection which the IB is engaged in.

The selection of respective projects proceeds based on evaluation of subsidy applications using a set of selection criteria approved by IOP Monitoring Committee (which is part of OM IOP). Project selection is generally realized in 6 phases (bodies entering the selection are listed in brackets):

- Project acceptance evaluation (2 P-CRD officials, approval by P-CRD senior official);
- check of formal particulars (2 P-CRD officials, approval by P-CRD senior official);
- evaluation of project quality (external experts);
- ex-ante risk analysis (authorized P-CRD official, approval by P-CRD senior official);
- ex-ante review - administrative control - ex-ante monitoring visit, and/or control on the spot, or a public authorities control, including a check of understanding of monitoring indicators (P-CRD, approval of senior officer of P-CRD; he or she will determine the form thereof; MA in case of public authorities control.

A project passes through the respective phases provided that it meets the set conditions ensuing from a review or evaluation carried out. Upon the completion of project selection and approval thereof, the documentation necessary for the provision of a subsidy (i.e. the Registration list, Decision on the provision of a subsidy/Determination of expenses for the state organizational component, Conditions) is assembled. Multiple bodies (i.e. P-CRD, Head of P-CRD, HQ CRD, MA, beneficiary) are entering the said phase.

Within the period under observation, announced were altogether four continual calls. Currently 63 projects are under realization, and 195 projects are financially completed. Intervention area 5.3 is specific with its huge financial volume of relatively minor projects (the maximum allowable amount of total qualified expenses per project equals 1,1 million CZK in case of 5.3a, 3 million CZK – or rather, from October 2009 on – 4 million CZK in case of 5.3b).

The subject area of administrative procedures within intervention area 5.3 was evaluated based upon criteria listed herebelow:

- Evaluation of the formal set-up of process organization and of appropriateness and effectiveness of engagement of respective bodies participating in the realization of administrative processes;
- cohesion a set-up of respective processes;
- appropriateness and effectiveness of the set-up of respective time limits;
- assurance of personnel staffing for the pursuance of administrative activities.

The findings mentioned herebelow were made on the basis of an analysis of procedures set forth in IOP documents (i.e. OM IOP, including annexes thereto, MI-18, the documentation issued for the call within the intervention area concerned, and configurations of IS MONIT7+), using the desk-research method. As a follow-up, interviews with IB staff (HQ CRD and RP Central Bohemia) were conducted - 2 interviews.

Major findings:

- Given the orientation of intervention area 5.3, used within the **organizational model** - apart from engagement of MA and IB CRD – is moreover the institute of expert guarantor, epitomized by the section of territorial planning of MLD. Whereas CRD tackles process-wise the receipt and administration of applications, project reviews and project monitoring, the MLD section of territorial planning - acting as expert guarantor – ensures the methodology interpretation of the intervention area, and cooperates closely on the preparation and realization of seminars run for applicants. The MLD section of territorial planning moreover issues – for projects of ÚAP of the region – expert opinions on compliance with legislation that are mandatorily required as an attachment to the application and a criterion of acceptability of the a project. The system, as currently set, may be viewed as a suitable solution, making use of both the proximity of IBs within the respective regions of the CR, and the experience gained by CRD in the administration of projects co-financed from EU Structural Funds, a solution contributing to a smooth implementation of the intervention area concerned.
- **Engagement and cooperation of relevant bodies involved in respective phases of project administration may be evaluated as relatively effective**, namely largely relative to the character of the support orientation. The role of the expert guarantor, fulfilled by **MLD section of territorial planning** may be classified – within the said context – positively. Even though the roles and powers for relevant activities within the administration process got clearly delineated, several problem areas are evident in the set implementation model; these can lower the effectiveness of the given cooperation. These comprise:
 - The pursuit of activities entrusted to CRD within the process of intervention area 4.1 – was not passed over to CRD with full responsibilities and powers.
 - Communication between P-CRD and MA proceeding always via HQ CRD is considered to be a risk point in terms of effectiveness of procedures – largely in respect of observance of the time periods set for respective activities.

- Professional qualifications of P-CRD. Based upon the even increasing requirements on the savvy and expertness of P-CRD it may be stated that both the and specifics of the huge breadth of respective areas of intervention that are under the P-CRD's gestion (2.1, 3.1, 3.3, 3.4, 4.1, 5.2, 5.3 of IOP) are – within a certain extent – a limiting factor in implementation of respective calls.
- In intervention area 5.3, selected was the **call in the form of a continual receipt of applications**. The main benefit of the continual-form call in the first place is the support of slickly prepared projects without any time limitation. A negative factor of the instrument opted for is first and foremost the necessity of getting slickly prepared the call and the related documentation from the very start, so that equal terms and conditions are maintained for all potential applicants. The continual type of call may be – in terms of the significance of the intervention area explored – classified as suitable for both the given type of projects and the structure of potential applicants.
- Monitoring of projects constitutes a standard system of checks (both administrative and physical – in the breakdown as per the moment of execution of a given check relative to project realization). Moreover, CRD focuses on a timely identification of possible problems and wrongdoings occurring upon the placement of public orders. That however is a point of implementation that may be in general terms – despite all effort – regarded as risky in terms of implementation of projects and hence of even the program, as this area is for projects by its very nature (with tender/bidding procedures constitute – with the volume of financial means constituting the essence of the project) and due to the orientation of EC reviews and audits fairly important. Continuous attention needs to be devoted thereto even in future.
- **Respective activities pursued within the framework of administrative procedures are mutually logically interlinked**. However, the description of these activities is – at places – less lucidly arranged in both OM IOP and MI-18 (e.g. the problem area of the assembly of documentation for the provision of a subsidy, and of reviews of the respective types thereof).
- **Time limits for respective activities** are clearly set and in general may be classified as adequate. Highlighted as a risk point may be the process of completion of the documentation necessary for the provision of a subsidy. Multiple bodies are entering the said process; as a result, it is challenging in terms of both coordination and meeting all time limits set. Nonetheless, from the total analysis it follows that the system of information and relevant outputs conveyance is well established and is not causing any concern in practice, the time limits are duly met. Another potential weak spot is the preparation of the call announcement, namely largely due to the intricate amendment proceedings.
- **Personnel staffing in terms of administrative capacities in CRD may be classified as sufficient** and providing for a proper IOP implementation, including assurance of quality methodology support for applicants/beneficiaries. Nonetheless, in relation to the constantly increasing requirements, and in terms of the relative complexity of the entire system, an increased risk of ineffective workload (in the sense of excessive workload) of respective officials relating the coordination of administration procedures may be suggested.

Summary/response to the evaluation query:

- The set processual and organizational model of the intervention area appears to be adequate, namely first and foremost in terms of MA administrative capacities and of the experiences thereof in the area of project administration. Despite the multiple bodies engaged and the problem areas revealed, it may be stated that the analyzed intervention area is administered without any major problems, and that the system of communication between respective bodies is deep-rooted. CRD is evaluated as an experienced and professionally clever partner; as an advantage, the proximity of applicants/beneficiaries within respective regions of the CR – via P-CRD. In terms of drawing, we have to do with the most successful IOP intervention area, within the framework of which expenses were certified. Thanks to close cooperation of all bodies involved, to assurance of sufficient absorptive

capacity, and an absence of major risks, it may be stated that the allocation for intervention area 5.3 will most presumably be run out with no obstacles whatsoever.

VII. Information systems (InS)

Query No. 13 (Evaluation level - MA , IB common): Do IS BENEFIT 7, MONIT7+, MSC2007, IB DIB, and the accounting SB provide for the fulfillment of obligations of MA and IB IOP?

Introduction:

Information systems used within IOP are regarded as an instrument providing feedback of IOP management, supporting monitoring and the processes thereof for measuring outputs, results and impacts of IOP program and of relevant IOP projects. The IOP information system consists of three core parts (i.e. it is a three-level system) that are mutually complementary. The interconnection of the said parts offers a high level of comprehensiveness of the formation system thus created.

For IOP Monitoring, an information system featuring the following components is used:

- The beneficiary information system – a **Benefit7** web application; acting as users are largely applicants and beneficiaries; responsible for the development and set-up is IOP MA ; the administrator of Benefit7+ is CRD CR;
- efficient levels - **Monit7+** information system; acting as users are particularly IOP MA and IB officials; responsible for the development, methodology procedures, and set-up of IS Monit 7+ IOP is IOP MA ; the administrator of IS Monit 7+ is CRD CR;
- central/managerial level - **Central2007 (IB MSC2007)** information system, with users particularly being MA and IB officials; responsible for the administration and development of MSC2007 is the section of administration of the Monitoring system at MLD.

The pre-condition for obtaining access to Monit7+ information system is a completed entrance training course, i.e. any and all officials working with IB IOP were trained in respective procedures relating the said information system. Attached to the OM is document A.3.8 - Work practices of IB IOP, giving a detailed description of IB IOP work procedures directly related to IOP implementation IOP (IS Monit 7+, MSC2007). Pursuant to OM IOP, each IB is obliged to ensure the preparedness of IB IOP (IS Benefit7 and Monit7+) at the time preceding the announcement of a call – in line with the requirements and specifics of respective calls. In order to verify the set-up of IB IOP for the given call, and the realization of administrative procedures, the pilot version instrument may be applied; it will provide for the verification of the quality of the set processes in the given intervention area.

Moreover, respective bodies of the implementation system work with linked information systems that differ in accordance with the type of respective bodies. That, e.g., entails successive accounting systems (ECIB, IB JASU, IRAP), subsidiary information systems, systems of filing services (GINIS) and, e.g., contact registering systems (Moutlook).

On the level of MA, established was the Monitoring work group (WG) devoting its strengths to IB IOP development within IOP. Major findings were made on the basis of a documentation analysis (OM IOP, A.3.8 - Work practices of IB IOP, A.3.7 – Data fields required from Monit7+ IB), using the desk-research method. At the same time, conducted were directed interviews with MA officials (Monitoring department, altogether 1 interview), and moreover a questionnaire was distributed plus a phone inquiry made with IB (i.e. IB MC, IB MLSA, IB HM, CRD and IB IM) officials. Whereas the

evaluator did not request access to IS Monit7+ and MSC2007 information systems, IB IOP evaluation is not backed up by any analysis of the IB proper.

Major findings:

- The **Benefit7 Web application** is first and foremost used by applicants and beneficiaries in the phase of project application preparation and subsequently pending project realization. Benefit7 is directly connected to IS Monit 7+ and it is through it that the applicant submits the subsidy application. Subsequently, the IB serves for further two-way communication pending project realization – submission of payment requests, of monitoring reports and reports, and sending out collective emails to beneficiaries. It entails a primary data source for IS Monit 7+ with which respective IBs and MA do not work any further. Benefit7 identifies the number of applications in progress in a given intervention areas and a given time. That is a fact helping respective IBs to plan the loading of human resources and analyses the absorptive capacities of respective areas of intervention (IB MLSA, CRD).
- The **Monit7+ monitoring system** can be regarded a functional instrument for IOP management. The quality and exploitability thereof is – in quite an extent – affected by the topicality of logged into the system by respective bodies. Within the framework of ensuring the operation of IOP MA Monitoring system, it carries out the control of the given data within IS Monit 7+, yet MA has no way to correct the data without an intervention of the respective IBs. In terms of the aforementioned, the MA is not fully in control over the monitoring system. Moreover, the MA oversees the entirety, timeliness and correctness of data logged into IS Monit 7+ (through respective guarantors of IBs and Monitoring department). Responsibility for data quality within IB lies fully within the gestion of respective PM performing the given activity in line with the set procedures, and/or the Heads of departments; those are responsible for the discharge and quality of the given procedures. Only in case of CRD, a control component may be identified in the form of HQ – CRD which ensures quality control and up-to-datedness of data in IS Monit 7+. In case that up-to-datedness of data logged into IS Monit 7+ on the part of respective bodies is regular and proper, IS Monit 7+ in connection with the currently created DB Monit7+ database may be regarded as a sufficient managerial system intended for the management of IOP program.
- Hence, the **reliability and functionality of IS Monit 7+** is significantly impacted largely by:
 - The quality of work performed by respective users. In practice, a varying degree of autonomy of respective IBs in managing IB IOP may be seen; the said degree is – to a degree – determined by the staffing of respective IB. The Monitoring system is – at the level of MA – administered by the Monitoring department (i.e. 3 officials). On the level of respective IBs, no such thing as an actually uniform structure of staff responsible for the administration of the information system, exists. Though – at the level of respective IBs – an allocation of officials responsible for Monitoring took formally place, in practice the said officials tend to be burdened with other activities, and that subsequently lowers the quality of quality of the entire MONIT7+ information system;
 - the system of data upgrade; according to the statements of relevant IBs, these are not flexible enough (to process a change takes approximately 2 to 3 months). Also problematic are monthly updates of the Monit 7+ system. Therein, unsolicited adjustments that had not constituted the subject of a requested update tend to take place.
 - insufficient exploitation of the institute of pilot versions, providing relevant IBs with an opportunity to check the quality of set-up of IS Monit 7+ well ahead, in which way potential problems relating administration and realization of projects might be eliminated. In practice, the aforementioned institute is made use out fairly scarcely.
- By respective IBs, the **user-friendliness of IS Monit 7+** is evaluated as rather insufficient. The chosen structure and often illogical cohesion of respective procedures decreases orientation within the given IB. The quality and low

level of system flexibility require that respective officials (such as, e.g., IB HM, IB MLSA, CRD, and IB IM) keep their own records of projects which subsequently serves as a managerial instrument for project management (time limits, guarantors, flexible configurations, etc.). Even though IS Monit 7+ provides for the option of creating one's varying configurations, in practice the said instrument is not sufficiently used by bodies using Monit7+ information system.

- The **IB MSC2007** is an IS of a central level. The users thereof are MA and IB officials. The system can be used for a limited number of activities (payment authorizations, collective payment requests, financial planning and reporting). The creation of configurations and outputs is functional, and the IS sufficiently makes it possible for MA and IBs to carry out their duties. The existing connection of IB MSC2007 with IS Monit 7+ and other surrounding ISs (such as, e.g., Viola MF IS) may be classified as established and fully functional.
- The connection of MONIT7+ application to the respective **accounting systems** of individual implementation bodies entails a potential risk. Responsible for setting the interconnection and establishing procedures for the receipt and outgoing of data into MONIT7+ is MA. Respective IBs are responsible for the set-up and preparation of the given accounting system. The status of interconnection differs as per relevant IBs. (As agreed, IB MC and IB MLSA will not be interconnected and data will be entered manually). MA and other IBs (IB HM a IB IM) have already their accounting systems interconnected with IS Monit 7+ and a smooth transfer of MA data is already in place, and/or deficiencies that had occurred (IB HM, IB IM) are being done away with. In the evaluator's opinion, the non-connectedness of follow-up accounting systems with IS MONIT7+ impairs the effectiveness of the work with IS MONIT7+ (data will be entered manually); moreover, the risk of error rate increases in course of manual data transfer. According to the evaluator, by the given fact, the fulfillment of obligations of respective IB and IOP MA is not significantly limited impaired; it rather is a case of impaired effectiveness of the work performed.
- The **endowment IS** (used by MLD) and IBPROFIN (used by the rest of IBs) serve for recording funds gotten from the state budget/EU Structural Funds, and are largely used by users for the registration of investment projects for subsequent financing, issuance of a Decision on the provision of a subsidy, of Registration lists of events, letters of transmittals, may be regarded as an established IS, facilitating the users the fulfillment of obligations ensuing from IOP implementation. With the amendment of Decree No. 506/2006, IBPROFIN was changed, effective as of the next year, to IB EDS/SIMS that will be directly interconnected with Monit7+. By most bodies within the bodies within the implementation structure, the given IB is actively used (except for actively utilizing (apart from IM) and – in the given area – the evaluator has not arrived at any serious findings.

Summary/response to the evaluation query:

- According to the analysis conducted, IS used within IOP, make it possible to relevant bodies to fulfill their obligations ensuing from IOP implementation. Within the analysis carried out, factors may be seen that – within a certain extent – impact upon the functionality and effectiveness of the given IS. These entail, e.g., an insufficient utilization of instruments of respective IS which contribute to enhancement of the quality and functionality of IS IOP (pilot version, creation of own configurations, etc.). In terms of the cohesion of respective information systems and the number of bodies using IS IOP, it is fairly important that up-to-datedness of data entered in the respective IS be ensured. The absence of a control system within the IB, responsible for the up-to-datedness of data entered into IS IOP is considered to be a factor decreasing the predictable potency of IS IOP.

5 Responses to evaluation queries

Table 18 – Responses to evaluation queries

- 1. Is the system of program documentation/of IOP operations manuals well structured, clearly arranged and easy to understand for the users (i.e. MA and IB officials)?**
 - Based upon the analysis performed, identified by the evaluator were problematic areas in the structure, understandability and lucidity of IOP and IB manuals; these epitomize a risk in terms of carrying out efficient regulatory control within MA and IB, scrutiny of observance of IB obligations by MA, as well as of observance and effective fulfillment of obligations on the part of IB officials. It is a case of a varied structure of documentation and different approaches to the descriptions of procedures of respective bodies, insufficient cohesion of WPM IB engaged in the implementation of one area of support, a low level of lucidity and understandability of description of processes/activities with multiple bodies engaged, or of processes characterized by demandingness in terms of the number of activities, and an absence of reviews recordings (with the latter problem applying to WPM IB CRD and WPM IB MLSA).
- 2. Is a standard mode of description of implementation processes used within OM IOP ?**
 - Further to the findings performed, it may be stated on the part of the evaluator that the varied form of procedure descriptions, and the different detail level contribute to the lack of lucidity in the cohesion of WPM of respective IB in intervention areas into the implementation of which multiple IBs are engaged. Moreover, insufficiently elaborated procedures impair efficient regulatory control inside the respective bodies of implementation, as well as the control of observance of IB obligations by MA. First and foremost, insufficiently set forth procedures do not provide for MA to effectively use the instruments intended to force the observance of obligations, provided by the institute of public law reviews on the spot. By the evaluator, the absence of official detailed procedures for MA activity is classified as a problem particularly in terms of ensuring regulatory control, as well as in terms of the option to carry out effective reviews by external control bodies.
- 3. Is the implementation system fully functional and sufficiently effective?**
 - Based upon above mentioned facts, in the given phase of implementation, the evaluator classified the implementation system – on the whole – as functional. However, at the level of some processes, facts were identified that epitomize a risk in terms of the system functionality, or that negatively impact upon the effectiveness of the pursuit of the given process, and hence upon the effectiveness of the program implementation. The former applies to the processes of strategic program management, program monitoring, evaluation, absorption capacity, and administrative processes.
- 4. Is the set-up of IOP implementation structure optimal relative to the orientation thereof?**
 - Based upon the findings made, it may be stated that – as a whole – IOP implementation structure is not optimal in terms of ensuring an optimal management by MA, largely due to the insufficient MA instruments intended for enforceability of obligations delegated to IBs, and to the low level of competency in the area of IB human resources. Other pre-requisites necessary for an effective engagement of multiple bodies in the implementation program (ensuring expertness, of sufficient administrative capacities and processual effectiveness) are only partially fulfilled (with a status found sufficient in intervention areas 3.1, 3.2, 4.1, 5.2, and 5.3).
- 5. Does the Managing Authority – in terms of Intermediary Bodies – dispose of adequate instruments to safeguard observance of their obligations?**
 - Based upon the findings performed, the evaluator declares that MA instruments for ensuring the fulfillment of obligations by IBs are insufficient. What is missing is an instrument that would be both flexible and sufficient for enforcing corrective measures.

6. Is communication and information conveyance between the Managing Authority and Intermediary Bodies functioning slickly and effectively enough?

- The mode of communication and information conveyance between the Managing Authority and Intermediary Bodies of the IOP implementation system may be classified as a fully functional process, established among the bodies engaged in IOP implementation. Nonetheless, in course of an analysis of used communication instruments, the evaluator identified several partial problems that impair the effectiveness of the spread and conveyance of information within IOP. It for example is a case of an insufficient set-up of the communications platform within respective IBs, whereby the risk of processual ineffectiveness or loss of information occurs, with its impact upon the performance of obligations of respective IBs. As another problem impairing the effectiveness of communication, insufficient enforceability of tasks set at the meeting of MA - IBs or a respective WG, as well as the absence of evaluation of communication instruments effectiveness on the part of MA. Despite the partial risks identified in the process of information conveyance, communication within MA - IB may be classified as sufficient.

7. Is the management and methodology support provided by the Managing Authority for Intermediary Bodies sufficient?

- In connection with the analysis performed and findings made, the methodology support provided by the Managing Authority for Intermediary Bodies may be regarded functional. Serious deficiencies are largely found – by the evaluator – in methodology support within the process of IOP documentation preparation – in the form of amendment proceedings taking place between MA and IBs. The current form of methodology support is – largely due to cummulation of documents in the given period of time and due to the length of the amendment process taking place – excessively burdening for the entire IOP implementation system. The methodology support in the area of IOP program documentation exposure by MA that is largely realized through a system of guarantors and other MA departments, is found to be an effective and functional instrument of methodology support of respective IB. As a beneficial way of providing methodology support to respective IBs, the system of education schemes run for respective IBs, may be regarded.

8. Do the Managing Authority and intermediary bodies dispose of adequate/sufficient instruments to safeguard the observance of the beneficiaries' obligations?

- **IM**

The set-up of the system of controls within the relevant documentation is perceived by the evaluator as sufficient. However the implementation of relevant areas has so far not reached a stage for the evaluator to flatly state that the set system will not comprise unclarities or problems that are detectable directly upon the realization of the respective activities. Within the given context, an exception is intervention area 2.1 (CzechPOINT), in which case the implementation has arrived into down payment clearing of 4,500 projects. That however is a very specific area both in terms of the number of projects, and the subsequent number of checks necessary, owing to which the officials carrying out the control activities, due to the high number of checks that were needed to perform within a short period of time, would be facing particularly the challenge of meeting the time limits. Guessing from this specific intervention area I may be quite hard to state whether or not the system as such is going to work in practice.

- **MLSA**

Whereas it is impossible to – given the phase of realization of intervention areas 3.1 and 3.3 – evaluate the functionality and effectiveness of the control system in practical terms, the set system of controls may be regarded as an effective and efficient system, providing in a sufficient way the surveillance of obligations of respective subsidy beneficiaries. Review procedures are closely interrelated, and a clearly established liaison and conditionality of respective types of controls takes place, including cohesion with an analysis of project risks. The engagement of IB CRD into the system of checks is found – by the evaluator – as an asset in terms of expert capacities, yet less effective in terms of processual effectiveness of the review process.

- **HM**

In terms of intervention area 3.2, based on the analysis conducted, it may be stated that the set control system is functional and will in a sufficient way secure control over observance of beneficiary obligations on the part of IB HM. In

the evaluator's opinion, risky in terms of effective pursuance of reviews over observance of beneficiary obligations, is the lower than deemed appropriate number of staff at the department executing controls (EF4).

- **MC**

On the basis of an analysis conducted in intervention area 5.1, the evaluator states the existence of risks that may have an impact upon the functionality of the control system and may – as a result – negatively reflect in the quality of the pursuit of controls as well as in enforcing beneficiary obligations on the part of IB MC. It is a case of a low level of understandability of procedures for the pursuit of control activities, the split of responsibility for the pursuit of control activities between IB MC and a body standing beyond the structure of IB MC, and insufficient staffing in terms of expertness in both the control area, and in terms of capacities. Another risk seen by the evaluator in terms of effective pursuance of controls over is the pursuit of reviews over observance of beneficiary obligations is the low number of physical controls in the sense of Art. 13 of the implementation provisions in the phase of project realization (interim reviews), namely in view of the financial amount of projects. In terms of effectiveness of control activities, the evaluator finds as inappropriate the current sample of projects intended for the pursuit of *ex-ante* monitoring visits.

- **CRD**

In pursuit of increasing the precision of information on the progress of preparation, realization, and operation of projects within the program, and of creating an instrument for a timely identification and effective management of risks associated with the fulfillment of the $n+3/n+2$ rule and the fulfillment of program indicators, an effective and efficient system of controls is set within the IB, ensuring surveillance over the obligations of respective subsidy beneficiaries. Control-related procedures are closely interrelated, and a clearly set liaison and conditionality of respective control types takes place, including a link with an analysis of project risks. Moreover, IB CRD disposes of a sufficient number of expert capacities and uses expertise gained over its long-term activities. No serious findings were made by the evaluator. Nonetheless, there is a partial risk – though in the analysis referred to as not directly jeopardizing the regular implementation of IOP, solely impacting the effectiveness of respective activities – of lack of powers of CRD in certain activities, and of engagement of multiple bodies into the process.

9. Does the Managing Authority and Intermediary Bodies provide applicants/beneficiaries with sufficient methodology support during of the entire life cycle of the project?

- **IM**

The heretofore offer of methodology support instruments intended for applicants and beneficiaries is - on the part of beneficiaries – evaluated as sufficient. What the evaluator is missing is greater methodology support provided to applicants in project preparation phase, so that the number of queries following the announcement of a call would drop to a minimum. Moreover, the provision of methodology support as such is – due to inexperience of officials providing methodology support to applicants and beneficiaries, and in terms of an analysis of functioning of relevant instruments in practice – problematic and often lacking coordination. A hugely positive shift may be viewed in the launch of a new central IM information portal, as well as in the current commitment to harness technical support means intended for a targeted concrete methodical aid provided particularly to applicants preparing bigger systems projects.

- **MLSA**

Both the embedding and orientation of instruments of methodology support of IB MLSA in the communication strategy is deemed sufficient. On the basis of an analysis of functioning of respective instruments in practice, the provision of methodology support provided by IB MLSA staff to applicants and beneficiaries may be classified as sufficient. Due to frequent alterations in intervention area 3.3, methodology support cannot be classified as highly professional, even though the willingness of officials and understandability of provided information are evaluated as excellent. Cooperation with CRD in the area of methodology support is fully functional and effective.

- **HM**

According to an analysis of respective instruments of methodology support provided by HM, and to the questionnaire inquiry conducted among subsidy applicants and beneficiaries, the provision of methodology support by IB HM officials to respective applicants and beneficiaries may be classified as optimal. The evaluation refers to the quality of communication instruments (largely at seminars run; these would get a fairly positive rating from respective

respondents of the questionnaire survey) as well as to the evaluation of the quality of applied communication instruments.

- **MC**

Though the embedding and orientation of methodology support instruments in IB MC communication strategy (or rather in the written form thereof) is found insufficient, in terms of an analysis of functioning of respective instruments in practice, the provision of methodology support – by IB MC officials – to applicants and beneficiaries may be classified as sufficient. Given the fact that, as part of the evaluation, it was impossible to - due to the low return rate of questionnaires - sufficiently verify the effectiveness and functionality of respective instruments of methodology support on the part of applicants and beneficiaries, and given the fact that IB MC does not carry out a quality evaluation of the said instruments, the given evaluation of the functionality and effectiveness of methodology support instruments cannot be classified as comprehensive.

- **CRD**

Even though – in terms of the analysis of functioning of respective instruments in practice – certain deficiencies in embedding and orientation of the instruments of methodology support in communication strategy (or rather the written form thereof) may be found, the provision of methodology support by IB CRD staff to applicants and beneficiaries may be classified as sufficient. Given the fact that, as part of the evaluation, it was impossible to - due to the low return rate of questionnaires - sufficiently verify the effectiveness and functionality of respective instruments of methodology support on the part of applicants and beneficiaries, and given the fact that IB CRD does not carry out a quality evaluation of the said instruments, the given evaluation of the functionality and effectiveness of methodology support instruments cannot be classified as comprehensive.

10. Do the Managing Authority and Intermediary Bodies dispose of a sufficient amount of qualified officials in terms of commitments and obligations ensuing from the implementation of IOP?

- **IOP MA**

The total number of MA officials and the expertness thereof is regarded – by the evaluator – as sufficient. The only exception is the controlling department that is currently facing a staffing problem both in terms of capacities and relevant qualifications. That is a fact that can have a negative impact upon ensuring the obligations of the given body pending the realization of IOP.

- **IM**

Given the major findings identified in the analysis, the evaluator has arrived at the conclusion that the total number of officials engaged in IOP implementation within IB IM is currently sufficient. However, IB IM does not dispose of a sufficient number of qualified officials, and that has a significant impact on the fulfillment of obligations and commitments ensuing from the implementation of IOP. Moreover, as ineffective, the planning of necessary personnel staffing may be regarded in relation to the anticipated development of the program and of the respective calls thereof, so that ensured well ahead are, e.g., sufficient capacities for handling administrative requests within established time limits.

- **MLSA**

Despite the engagement of CRD in the process of administration of areas of intervention 3.1 and 3.3 of IOP, personnel capacities of IB MLSA relative to obligations and activities ensuing from IOP implementation may still be classified insufficient. Lack of staffing is largely apparent in departments participating in implementation of intervention area 3.3 IOP (IB 45), as well as in the department participating in the realization of projects (IB 62); in it, all positions available have still not been taken. Conversely, IB MLSA disposes of a sufficient amount of qualified officials who will ensure an effective fulfillment of obligations and commitments ensuing from IOP implementation. Professional qualifications of officials participating in the implementation of intervention areas 3.1 and 3.3 were enhanced through the engagement of CRD into the process of administration of the given areas of intervention.

- **HM**

The total number of officials engaged in implementation of IOP within IB HM is currently seen as insufficient. Lack of personnel capacities is largely apparent in the department participating in the realization of projects in which the number of projects increases continually without being offset by an increase in staffing. IB HM disposes with a

sufficient amount of qualified officials who will ensure an effective fulfillment of obligations and commitments ensuing from IOP implementation.

- **MC**

With regard to the findings made, the evaluator states that IB MC does not dispose of a sufficient amount of qualified officials. A problem may be seen both in insufficient staffing (IMD staff load, insufficient staffing in IDPM, IDFM and IACS relative to the assumed amount of projects), and in ensuring staff expertness (a fairly low number of staff with experience in handling SF and with expertise from control activities). Moreover, as controversial appears the unsuitable method of needs identification.

- **CRD**

The total number of officials engaged in the implementation IOP is currently regarded as sufficient. An increased surge of work, if any, can be handled within CRD's own capacities. IB CRD disposes of a sufficient amount of qualified officials capable of ensuring an effective and regular fulfillment of obligations and commitments ensuing from IOP implementation.

11. Is the established education system of MA and IB IOP staff adequate and sufficient?

- **IOP MA**

The set education system for MA officials may be classified as functional. Nonetheless, it is marked with deficiencies that impact the effectiveness of education (such as the preparation of IPP by the officials themselves, absence of a quality evaluation of EP, insufficient market bids in the area of education, belated realization of the NOC education module). Three other facts that negatively impact the functionality and effectiveness of the entire system of education, are, first, that on the part of MA, not ensured remains the coordination of education within the entire IOP; second, no uniform strategy is defined for the education of the entire staff of IOP implementation system (and/or of MA - IB staff); and, third, that responsibility for staff education is split between MA and IB (see also key finding conclusions relating respective IBs).

- **IM**

From available information on the set system of IM staff education, deficiencies are apparent ensuing from particularly a low level of SF-related experiences of officials responsible for the management of staff education. Though the evaluation only took place on the basis of information gained from interviews with selected DSF officials, and/or on the basis of information ensuing from available documentation, it is apparent that the current education system fails to meet the requirements particularly in case of new coming officials disposing of zero experience with SF. In these instances, concrete technical training courses appear insufficient, as the relevant official is lacking a cross-sectional awareness of the SF and of IOP as a whole.

- **MLSA**

At the moment, education of IB MLSA staff is not backed by a comprehensive education strategy of the IB MLSA. The education system of IB MLSA officials participating in IOP implementation can currently not be regarded as sufficient in relation to obligations ensuing from IOP implementation. Education needs of officials are satisfied through a direct offer of respective education schemes. As applied, the procedure carries along the risk of non-effectiveness of IB staff education largely due to an offer of education schemes either unrelated to job description or failing to reflect the actual need of an official participating on IOP implementation.

- **HM**

The education of IB HM staff is realized through an approved uniform EFD education plan which may be considered a functional and effective instrument of systematic enhancement of qualifications EFD officials. The set education system of IB HM fulfills in a sufficient way the requirements of increasing qualifications of respective IBs HM officials and thanks to the realization of regular monitoring of the fulfillment of the education plan, the given system may be classified as fully functional and effective.

- **MC**

Based upon above made findings, the evaluator finds the education system applied within the framework of IB MC insufficient and ineffective, particularly in relation to a flawed thematic orientation of the education strategy, an

ineffective method of creation and realization of IPP, absence of comprehensive staff education, as well as in relation to non-existent regular evaluation of the education strategy.

- **CRD**

Staff education ensues from the analysis of education needs, and an annual plan of education schemes developed on the basis thereof. The education plan may be classified as a functional and effective instrument ensuring required education and a systematic enhancement of qualifications of CRD officials, which is an important pre-requisite for the successfulness of OP. The set education system of education of CRD officials fulfils the needs of qualifications enhancement and – given the regular monitoring and evaluation of education schemes realized, the said system may be classified as functional and effective. In order to attain maximum effectiveness of planning and realization of education, it is necessary to better interlink education with an analysis of CRD administrative capacities.

12. Is the set-up of administrative procedures within the respective areas of support appropriate in terms of the character of subsidy and the type of applicants/beneficiaries?

- **IM**

1.1 – As already identified in the area of key findings, by the evaluator, in terms of the character of support and the type of applicants/beneficiaries, the set-up administrative procedures are found adequate. What however may be a complication, is – on the one hand – the staffing of IM in the sense of an insufficient number of experienced officials and – on the other hand – the fact that, at the IM, no such thing exists as a system of work with submitters of bigger projects in the phase of preparation thereof. That in turn has an impact – due to below-par projects – upon the effectiveness of the system as a whole.

2.1, 3.4 – Despite the aforementioned deficiencies, the set-up of administrative procedures in the said two intervention areas is classified – by the evaluator – as functional. Though CRD helped to resolve particularly capacity problems with the implementation of the IA, the system in which multiple Intermediary Bodies are engaged, is not classified (by the evaluator) as quite effective, as it brings along a number of potential complications that are likely to occur pending implementation of the process (e.g. during the pass over of projects from one IB to another and vice versa).

The IM failed to submit the requested detailed information within the requested deadline.

- **MLSA**

3.1 - Despite the fact that – at the time of evaluation, the process of project administration had only been verified on a small number of projects, the evaluator classifies the set system as fully functional. In terms of effectiveness of the processes, however, the set process (of engagement of 2 IBs) is evaluated as rather negative. Though the reasons for engagement of CRD in the IA 3.1 project administration are obvious (i.e. administrative capacities, CRR expertness), weak points of the set system were identified by the evaluator; these predominantly manifest themselves in the decreased processual effectiveness of the model concerned. In terms of the length of administrative process, it needs to be stated that the real length of the process of administration may in practice be extended through, e.g., an uncompleted tendering process (by which not solely a tender procedure for the main subject of the project is meant), and that is, in the evaluator's view, not effective, and the administration process may – through narrowing the given condition – get shorter.

3.3 - Though the evaluator finds the given model of administration (with 2 IBs engaged in the process) less effective, the set system may be regarded as functional. Even though the reasons of engagement of CRD in IA 3.3 project administration process (i.e. insufficient MLSA administrative capacities, CRD expertness) are obvious, identified by the evaluator were risks of processual ineffectiveness within the framework of the model concerned. In terms of the belated launch of the said intervention area, and in relation to the low number of projects accepted at the time of the evaluation realization (solely 1 registered project), the duration of the approval process may be viewed as relatively long.

- **HM**

The set administration procedures in intervention area 3.2 are evaluated as adequate in terms of the character of subsidy and type of beneficiary. The chosen administrative model of one IB ensures sufficient flexibility and promptness of realized procedures, administrative processes are not burdened with an excessive oscillation of activities, and – through active engagement of external evaluators in the process of project selection, the submitted projects are subject to an expert opinion. The length of project administration is set in line with OM IOP and – as part of the analysis - the time limit set for respective processes were found optimal.

- **MC**

With regard to the character of subsidy and the type of applicants/beneficiaries, the evaluator finds the set-up of administration procedures problematic relative to the form of the call and critical points leading to an extension of administrative time limits for the evaluation of the project (evaluation of projects on the part of external expert, settlement of findings from accessibility checks, and of formal particulars on the part of the applicant, approval of the Project registration list and the Decision on the provision of a subsidy/Established expenses for OES, incl. Conditions, on the part of MF). The length and quality of project assessment may moreover be affected by insufficient capacities of IMD and IDPM in the phase of the call conclusion (cummulation of a greater number of applications), and in case of a more advanced phase of program implementation, when administration a control of realized projects tend to increase. As a potential risk to the length and quality of project selection, the absence of a database of external experts is seen by the evaluator; the consequence here may be a lowered ability to flexibly respond to current needs of having the project expertly evaluated.

- **CRD**

4.1 – With regard to the orientation of intervention area 4.1, apart from engagement of MA and IB CRD within the organizational model, invariably the institute of expert guarantor, represented by the MLD´s Tourist Industry Section, is made use of. That may – within the given context – be evaluated as an asset. Through the engagement of CRD in the administration, monitoring and control of projects, a first-rate implementation of IOP is ensured, as CRD epitomizes a subject with a long-term expertise in the area of drawing financial means from SF, and a subject disposing moreover of abundant expert staffing. Hence, the engagement thereof may be – on the basis of the analysis performed, and the respective findings made – classified, with regard to MA capacities, as an asset. Despite the engagement of multiple bodies, and the weak spots revealed, it may be stated that the intervention area analyzed is administered without any major trouble, and that the system of communication between respective bodies is well established. Identified partial deficiencies are not of a paramount or systems character.

5.2 - The selected model of implementation with a novel method of drawing financial means from EU utilized (i.e. drawing those through IMDP) entails - on the one hand – both ensured expertness (expert MLD guarantor), and sufficient expert capacities (largely those of CRD) on the other. Participating on the selection of 5.2 projects (i.e. on the quality evaluation phase) is moreover an external subject, epitomized by the municipality as IMDP holder. That is a fact that - on the one hand – is logically well grounded, yet – on the other hand – contributes significantly to the extension of the period of time set for the processing, submission and approval of project 5.2. The engagement of CRD is evaluated as effective largely in terms of the availability thereof in regions and in terms of CRD´s experience contributing to a smooth implementation of the intervention area. As a way of ensuring a successful realization of pilot projects focused on improvement of the environment of underprivileged Roman communities (5.2c), above the framework of the described structures, established was a work group (PILOT work group). Lack of experience on the part of applicants (submitters of projects 5.2), invariably poses a partial risk. Even though a plethora of measures to eliminate that risk were adopted, a consistent application thereof needs to be ensured. Despite the engagement of multiple bodies and above mentioned weak spot revealed, it may be stated that the analyzed intervention area is administered without major problems, and that the system of communication between respective bodies is well-established.

5.3 – The set processual and organizational model of the intervention area appears to be adequate, namely largely in terms of administrative capacities of MA and the experience thereof in the s area of project administration. Despite the engagement of multiple bodies, and revealed weak spots, it may be stated that the analyzed intervention area is administered without major problems, and the system of communication between respective bodies is well-established. CRD is evaluated as an experienced and professionally competent partner; moreover, an advantage is the proximity thereof to applicants/beneficiaries within respective regions of the CR – via P-CRD.

In terms of drawing, this is the most successful IOP intervention area, within which expenses have already been certified. Thanks to close cooperation of all bodies involved, to the provision of sufficient absorptive capacities, and absence of major risks, it may be stated that the allocation of intervention area 5.3 will most presumably be drained with no obstacles whatsoever.

13. Do information systems (i.e. IS BENEFIT 7, MONIT7+, MSC2007, IB DIB, and accounting IS) provide for the fulfillment of IOP MA and IB obligations?

- According to the analysis conducted, the used IB IOP make it possible for respective bodies to fulfill the obligations ensuing from IOP implementation. Within the framework of the performed analysis, factors may be viewed that – to a certain extent – impact upon the functionality and effectiveness of the given IBs. It is a case of, e.g. insufficient utilization of offered instruments of respective IB, intended to improve the quality and functionality of IB IOP (pilot version, creation of own configurations, etc.). given the cohesion of respective information systems and the number of bodies using IS IOP, it is very important to ensure the up-to-dateness of data entered into respective IBs. Absence of a control system within the IB, responsible for the topicality of data entered into IS IOP is regarded as a factor lowering the predictable potency of IS IOP.

Table 19 – Assessment of evaluation queries

No.	Evaluation area	Main query	Program	IOP MA	IM	MZ	MLSA	MC	CRD
1	IB program documentation	Is the system of program documentation/IOP operations manuals well structured, clearly arranged and easy to understand for the users thereof (i.e. IOP MA and IB officials)?	4						
2		Is there a standard method of implementation process descriptions used in OM IOP?	4						-
3	IB set-up and operation	Is the implementation system fully functional and sufficiently effective?	3						
4		Is the set-up of IOP implementation structure - relative to the orientation thereof - optimal?	3						
5	Management, methodology support and communication within the framework of IB (IOP MA -IB)	Does the Managing Authority dispose with adequate instruments (applicable in contact with IB) to safeguard observance of their obligations?	5						
6		Does communication and information conveyance between the Managing Authority and Intermediary Bodies work slickly and effectively enough?	3						
7		Are the management and methodology support provided to Intermediary Bodies by the Managing Authority sufficient?	2						-
8	Methodology support and communication in relation to applicants/beneficiaries	Does the IB Managing Authority dispose of appropriate /adequate instruments - applicable in case of beneficiaries - to safeguard observance of their obligations?			2	1	1	3	1
9		Do the Managing Authority and intermediary bodies provide applicants/beneficiaries with sufficient methodology support pending the entire life cycle of the project?			2	1	1	2	1
10	Human resources	Do the Managing Authority and Intermediary Bodies dispose of a sufficient amount of qualified officials relative to the commitments and obligations ensuing from IOP implementation?			3	2	3	4	1
11		Is the set system of IOP MA and IB IOP officials' education adequate and sufficient?			3	1	2	3	1
12	Administration procedures Information system	Is the set-up of administrative procedures within the respective areas of support adequate relative to the character of support and type of applicants/beneficiaries?			2	1	3	3	2
13		Do information systems (i.e. IS BENEFIT 7, MONIT7+, MSC2007, IB DIB, accounting IS) provide for the fulfillment of obligations of IOP MA and IB IOP?	2						■

Explanatory notes: 1 - Yes; 2 - Rather yes; 3 - 0; 4 - Rather not; 5 - Not

6 Identification and description of major problems, and recommendations

Table 20 – Overview of problems and evaluation thereof in a summary table

Problem specification	System	IOP MA	IM	MLSA	MC	HM	CRD	Risk system	Risk partial	Possible solution
Insufficient personnel capacities	x	x	x	x	x		x	3		3
Insufficient IOP MA instruments for ensuring observance of obligations by IB	x							5		4
Insufficient coordination and ineffective pursuit of evaluation activities	x							4		2
Ineffective system of education of Ims IOP officials	x							4		2
Methodology support of beneficiaries, provision of professional information		x	x						4	2
Low processual effectiveness of the 2 IB - 1 IA model (2.1, 3.1, 3.3,3.4) and of IOP MA – CRD	x		x	x			x	4		5
calls for application submission			x	x	x				3	1
System of amendment proceedings on the part of IOP MA	x							3		3
Lack of experience in the area of SF			x	x	x				3	2
Low effectiveness of <i>Work groups</i> communication instrument	x							3		2
Insufficient cohesion of realization of monitoring - AbCap - evaluation	x							3		2
Insufficient short-term monitoring of respective IA and of IB activities	x							4		2
Absence of a databases for the selection of external experts					x				3	1
Insufficient competency in terms of matter-of-fact expertness			x						3	2
Long project administration time limits			x		x				3	2
Insufficient pre-requisites for a successful realization of project reviews (particularly of CAC)					x				3	2
Content structure and program documentation quality	x	x	x	x	x		x	3		3
"Mirror projects" (2 targets - 2 projects)		x							1	4
Absence of instruments for ensuring effective communication and information transfer	x							4		2
Absence of an instrument ensuring data up-to-datedness in IS Monit 7+								4		3

Explanatory notes: *Risk range:* 1 – very low; 2- low; 3 – medium; 4 – high; 5 very high

Possible solution of a problem: 1 – yes, low costs, easily practicable; 2 – yes, somewhat higher costs, more difficult practicability; 3 – yes, though slippery; 4 – yes, though with major hindrances such as, e.g., legislation amendments; 5 – practically irresolvable.

Problem specification:

Insufficient personnel capacities

Description of the problem

Both the quality- and quantity-wise view on personnel capacities and the subsequent management of human resources of respective bodies within IOP implementation structure epitomize a critical instrument in terms of effective operation of all processes within IOP implementation structure. In the area of personnel capacities , problems listed herebelow were largely identified:

- **Absence of an instrument on the part of MA for coordination of IB personnel capacities** – given that IBs are fully responsible for human resources management in terms of capacities, MA fails to dispose of a sufficient amount of instruments applicable for coordination and optimization of the number of personnel of IOP implementation structure.
- **Lack of personnel capacities** – building on the results of directed interviews conducted, and on analyses of personnel capacities of respective IBs, identified were insufficient personnel capacities in case of almost all IBs and MA (other than CRD). Within the identified requirement of boosting the working capacities, the following factors determining the lack of personnel capacities may be tracked down:
 - The state of administration in a given IB (with largely the need to boost capacities in areas of project implementation and financial management) - IB HM, IB MC, IB IM, and IB MLSA (with a critical situation of IB 45);
 - experience of IB with SF plus sufficient expertness of existing staff (the need to boost capacities due to insufficient expertness and expertise with handling SF) - IB IM, IB MC, IB MLSA;
 - particularity and lucidity of WPM procedures, methodology support and insufficient information necessary for the pursuit of activities.

The evaluator subsequently performed a comparative analysis¹¹ of existing personnel capacities¹² of respective IB relative to the assumed number of projects¹³. Even though factors (such as the size of project, type of call, complexity of respective projects, etc.), capable of increasing the precision of the said analysis, are not included, the resultant *1pm* spread of the number of projects (from 3 projects/*1pm* in case of IB MC, 24/*1pm* in case of IB MLSA, and 250/*1pm* in case of IB IM) identifies space for an optimization of the spread of personnel capacities within the framework of IOP implementation system, to be made. The below-mentioned recommendations seek to assist in optimization of personnel capacities of IOP implementation structure.

Proposed recommendations:

Based upon the abovementioned problems identified in the area of **insufficient personnel capacities**, the evaluator's recommendations are as follows:

- set and firmly embed within respective WPM the obligation to regularly evaluate personnel capacities of respective IBs. Recommended by the evaluator is to set up a uniform methodology and procedures applicable for the evaluation of personnel capacities of respective IBs;
- as a way of subsequent optimization of IOP implementation system staffing, use the instrument of % of annual analyses of assessment of personnel capacities in respective IBs;
- as a way of effectively and evenly burdening personnel capacities of respective bodies of IOP implementation, actively work with the plan of calls of respective IBs – an even spread of respective scheduled calls within the time period will reduce the anecdotal overburdening of officials;
- for tackling specialized areas, increase the number of used services provided by external consultants and of consultancy companies - according to the evaluator, the aforementioned institute is not used sufficiently by all IBs;
- set detailed work procedures for respective activities specified in WPM - including a definition of all basic attributes of the given activity (i.e. input, output, guarantor, concurrent subject, time limit for carrying out the activities, addressee, relationship to IB, the approver).

¹¹ Number of assumed projects within the given OI in the gestion of IB/current number of administrative capacities

¹² Source: Report on ensuring administrative capacities pursuant to government Decree No. 818/2007 for the period of 1 January - 31 December 2009

¹³ Anticipated number of projects - see indicators of respective IO

Relevant bodies

- IOP MA
- IB IOP

Problem specification:

Insufficient IOP MA instruments for enforceability of observance of obligations on the part of IBs

Description of the problem

The complex IOP implementation structure with a high number of Intermediary Bodies ensues from the broad orientation of both the program and priority axes, as well as from the national legislation framework. Hence, the main reason for delegating powers onto IBs (apart from CRD) in program implementation is – rather than boosting processual effectiveness, ensuring expertise pending project selection, or assurance of sufficient administrative capacities – observation of the legislation in terms of program orientation. Whereas – with regard to the requirements of national legislation – some MA activities had to be delegated onto IBs, what ensues from European legislation – for MA – is an overall responsibility for the program management. A basic pre-requisite for the fulfillment of that obligation are sufficient and flexible MA instruments for the enforcement of obligations on the part of IBs. Nonetheless, based on the analysis performed, it needs to be stated that - in case of IOP MA - the aforementioned pre-requisite is not met.

Identified was the absence of a flexible instrument making it possible – for MA – to extort the adoption of corrective measures on the part of IBs. Though administrative reviews or monitoring visits make it possible for IOP MA to flexibly respond to current problems, what is absent about them is the liability of corrective measures. Conversely, the institute of the public authorities control carried out on the spot does epitomize an instrument for the adoption of corrective measures, yet - in terms of time demandingness of the entire controlling process (incl. appellate procedures) is not sufficiently effective for a quick adoption of such measures. Another problem apparent in case of public law reviews is that of limited opportunity for MA to make a reference to a violation of concrete procedures on the part of IB in case that the said IB fails to have elaborated and approved work practices. Moreover, the opportunity to tackle non-observance of obligations ensuing from agreements on activities delegation at the level of ministers or of the government of the Czech Republic does not entail – in view of the character thereof – an effective instrument for ensuring the observance of obligations of IBs on the part of MA .

Another major risk – identified by even the evaluator - in terms of a successful fulfillment of MA obligations (responsibility for program management) is that of the low awareness of IBs of their liability for the successful implementation of the program (or rather: most IB fail to perceive the shared responsibility sufficiently). That, then, is a fact that makes – for MA – enforcing the fulfillment of obligations of IBs a lot more difficult.

Proposed recommendations:

Bearing in mind the character of the problem, the evaluator is aware of the fairly limited options available for tackling the situation. In order to ensure an effective and sufficient utilization of public authorities control instruments to enforce – on the part of MA – the fulfillment of IBs obligations, the evaluator recommends:

- To set - on the part of MA – rules stipulating the degree of particularity for working procedures (or rather set attributes that will include any and all descriptions of WPM activities); then – on the part of IBs – apply the said rules into WPM – recommended is a degree of particularity ensuring that public authorities control instruments be applicable pending reviews of IBs performed by MA .
- to incorporate into WPM IB absenting procedures for processes that are inherent in OM IOP, of which obligations for IBs ensue (what needs to be made sure of here is a lucid embedding of the distribution of competencies within the said processes – both on the MA vs. IB level, and inside the respective IBs).

Given the shortage of instruments applicable for enforcement of IBs obligations on the part of MA, the evaluator's recommendation is to carry out regular reviews of delegated activities, namely by other bodies engaged in both the internal and external circle of IOP control system, i.e. internal audits of IBs and authorized auditing subject. In pursuit of avoiding analogous problems in the future program period, the evaluator's recommendation is:

- As early as in the initial phase, accompany the discussion on the orientation of the operative program by a concurrent discussion on the implementation structure thereof, whilst realistically assessed ought to be the opportunity and capability of the future MA to be managing the program effectively and efficiently, namely even with regard to the number of IBs, the position thereof relative to MA, and the external legislation environment;
- to approach the engagement of IB in the implementation structure primarily with the aim of enhancing the processual effectiveness of the implementation system, ensuring sufficient matter-of-fact expertness for the selection and control of projects, and of ensuring a sufficient amount of capacities necessary for the management and administration of the program, i.e. not solely in pursuit of avoiding the clash with the outer legislation environment. In order - for the implementation system of the program - to be as effective as possible, the aforementioned three aims ought to be mutually complementary (not mutually preclusive).

Problem specification:

Insufficient coordination and ineffective pursuit of evaluation activities

Description of the problem

In general, the purpose of operational program evaluations is to enhance the quality and effectiveness of assistance provided from EU funds, and the consistency thereof with the objectives of EU and CR, to improve the strategy a effectiveness of operational program implementation, and to explore specific structural problems and issues of sustainable development relating the subject of the operational program. Thus, evaluation - among others - epitomizes a major instrument that contributes to improving the effectiveness of the program's implementation system. Based on the inquiry performed, identified by the evaluator were problems that have an impact upon the effectiveness of the pursuit of evaluation activities and upon using the results thereof within IOP. The problems are set forth herebelow:

- Unclear specification of competencies between MA and IB in the pursuit of evaluations - Though MA is the guarantor of the pursuit of program evaluations, IBs (apart from CRD) dispose of TA means to carry out their own evaluations. In OM IOP, the competences of MA and IBs are not clearly set; similarly, not clearly set forth are the types and themes of evaluation activities to be conducted by MA and IBs, respectively;
- insufficient cohesion of evaluation events performed on the part of MA and IB - the IOP evaluation plan fails to involve IB evaluation events scheduled for the given year;
- insufficient coordination MA in the area of evaluations realizations - WG for IOP evaluation fails to function as an effective instrument of coordination within the given domain (low frequency of meetings, poor attendance of IBs). Moreover, identified was insufficient methodology support of management and realization of relevant evaluations (methodology support of creation of IB evaluation plans, hand-over of experiences gained in pursuit of evaluations within the previous program period);
- insufficient coordination role of MA in harnessing the conclusions of evaluations performed in practice. Moreover, as classified insufficient was the coordination role of MA in case of sharing and utilization of evaluation results gained in practice. On the part of MA, there is no coordination in the adoption of corrective measures;

- insufficient management of evaluations on IB level. Identified was absence of IB evaluation plans; those nonetheless epitomize a key instrument for the management and planning of evaluation activities. The obligation for IB to have an evaluation plan is not set by OM IOP.
- insufficient descriptions of procedures applicable in realization of evaluation activities in OM IOP and WPM IB. Instead, OM IOP contains a rather incomplete list of obligations and rules relating individual bodies engaged in evaluation. Non-existent are basic procedures of the realization, assessment of evaluations, and adoption of corrective measures related to the findings of respective evaluations, i.e. procedures and rules that would clearly indicate the sequence of respective activities - including deadlines and the concrete moment for relevant bodies to get engaged. Classified insufficient (and absenting in most instances) were moreover descriptions for the realization of evaluation activities in MPP IB.

Problems listed hereabove lead to an ineffective evaluation of the program and to an ineffective utilization of TA finances.

Proposed recommendations:

Based upon above mentioned problems, the evaluator´s recommendations are as follows:

- To turn the IOP annual evaluation plan into an effective instrument of management and coordination of evaluation activities within IOP (recommendations directed to IBs – get actively involved in the creation of the evaluation plan, invariably incorporate into the plan IB planned activities; recommendations directed to MA – get embedded in OM IOP and WPM IB the obligation of collaboration and reporting evaluation intents of IB; for an *ad hoc* pursuit of evaluations on the part of IB, the evaluator´s recommendation is to introduce an approval process on the part of MA, including the embedding thereof in OM IOP and WPM IB);
- lay down in OM IOP and MPP IB the obligation of creation and evaluation of IB evaluation plans;
- turn the IOP evaluation WG into a functional a effective instrument pro the coordination and realization of a evaluation activities within IOP through increasing the frequency of meetings, ensuring the solution of hot evaluation-related topics, using the given WG for the provision of methodology evaluation-related support to IBs (particularly to shoe not disposing with officials experienced in the given domain);
- clearly set competences in the realization and pursuit of evaluation activities, as well as for adoption of measures ensuing from the results of evaluations in OM IOP and WPM IBs, lay down basic procedures for the pursuit of evaluations, including a core minimum of requirements relating to the pursuit of evaluations on the part of IBs, in OM IOP, lay down core procedures, including guarantees for the pursuit of evaluations in WPM IB;
- set procedures and instruments for mutual sharing of final evaluation reports - as a suitable instrument, the evaluator views the www.structurelni-fondy/iop web address, or to use the extranet (currently, IOP does not dispose of the said instrument).

Problem specification:

Ineffective system of education of ImS IOP officials

Description of the problem

Responsibility for top-quality education of staff rests upon MA (officials of MA) and IBs (officials of respective IBs) with the stipulation that each subject is responsible for setting up his own education strategy and education plan. Relative to IB, the MA is not in the function of coordinator of education within IOP, and the problem of insufficient coordination of the education system within the entire IOP system has been identified by the evaluator. Whereas OM IOP sets the obligation for MA to create an education strategy, the said obligation is not set for the respective IBs, not even

mentioned are basic rules for staff education within the framework of the entire program, i.e. nonexistent is a central education strategy for training IOP staff. Due to insufficient coordination, absence of procedures within the training system of ImS IOP, and due to disparate approach of respective IBs to the education system, the existing education system intended for ImS IOP officials is classified as scattered and ineffective – i.e. it is an education system lacking coordination.

Among further problems identified by the evaluator, insufficient management of education strategy on the level of IBs may be seen. Given the insufficient embedding of the obligation to create an education strategy for respective IBs, both the level and quality of education strategy of respective IBs tend to vary. According to the analyses of IB education plans (EP, EP in Czech), EP of poorer quality were identified in case of IB that have acquired less experience in the area of SF implementation (i.e. IB MC and IB IM) to be followed by IB MLSA, the EP of which is currently in the process of creation. Education needs of officials are to be formulated as part of individual plans (IPP) that emerge based upon an analysis of the working position and a needs analysis of respective officials. In practice, however, the quality of respective plans pertaining respective implementation bodies varies; moreover, often the plans fail to ensue from analyses performed or the needs of respective working positions.

In order to ensure an actually effective EP, regular EP evaluations need to be performed. On the basis of an analysis carried out, the evaluator arrived at a conclusion that – in case of most IBs – the EP evaluation system is applied incompletely (system of EP evaluation/solely an evaluation of education events). In practice, quite often only a partial evaluation of EP takes place, in namely largely a quantity-wise character (whilst the quality-wise evaluation is conducted very rarely).

In evaluator's view, further limits were identified for an effective EP, such as - for example - insufficient quality of education schemes offer relating SF - largely with regard to the needs of experience officials operating in the area of SF, and moreover, e.g., lack of time, and an extensive workload precluding officials from in the fulfillment of IPP.

Proposed recommendations:

In liaison with the conclusions and recommendations of the 4th Meeting of IOP Monitoring Committee, imposing for IBs the elaboration of detailed education plans for 2010, the evaluator recommends to enhance the coordination role of MA within the system of ImS IOP staff education. The evaluator recommends developing an education strategy for the entire IOP system, of which subsequently would ensue an EP of respective IBs (with cohesion of EP IOP and EP IB/EP IOP MA thus being ensured). Further on, recommendations are backed upon embedding the obligation of drawing up EP in OM IOP and WPM not merely for MA, but also for respective IBs. In order to improve the effectiveness of the IOP education system, the recommendation is to establish a uniform EP IOP structure that will be applied by respective ImS IOP bodies.

The evaluator recommends that MA in its function of coordinator:

- be providing methodology support to IBs pending the creation and updating of EP, and further on, be providing methodology support in the realization of the education strategy – preferably in case of IBs with which problems with EP practical application were identified (largely IB MC, and IB IM);
- be providing methodology support pending IPP set-up and updates;
- submit minimum requirements for ensuring effectiveness of the education strategy, i.e. set minimum requirements for the evaluation of EP and of education events, including embedding the requirement in OM IOP and WPM.

In order to improve the quality of education courses offered, the evaluator recommends that the offer of education schemes abroad be made use of (run by particularly EC). In terms of ensuring the comprehensiveness of education, the evaluator recommends to use an external delivery of an education module that will be set up on the basis of education needs of officials of the given subject.

Problem specification:

Methodology support of beneficiaries, provision of professional information

Description of the problem

Even though – within the system of IOP implementation - methodology support and communication relative to beneficiaries may be perceived as a positive area, identified were certain factors that negatively impact upon the effective operation of the support provided, particularly in case of two Intermediary Bodies, i.e. those of IM and CRD. Involved are largely deficiencies set forth herebelow:

- Non-existent system of work with applicants in case of big systems projects (1.1 and 3.4 IM);
- insufficient coordination in the provision of information of expert character to applicants/beneficiaries, resulting quite often paradoxically in the provision of opposing information (IM);
- cooperation between CRD and the municipality alias IMDP holder within the framework of intervention area 5.2 in the sense of differently formulated mandatory annexes to the project, information relating the placement of orders, orientation in the documentation.

Recommendations cited herebelow are intended to effectively lower the factors lowering the effectiveness of introduced instruments of methodology support within IOP implementation system IOP.

Proposed recommendations:

In order to ensure a most effective ever functioning of the methodology support provided to beneficiaries and applicants in case of financially extensive projects, the general recommendation might be the focus on a top-quality methodology support as early as at the state of applications preparation; involved are namely projects that – due to the financial volume thereof – are challenging in terms of administration.

Methodology support to submitters of major projects ought to consist in:

- The set-up of a system of regular get-togethers with the submitters of projects and IB representatives as early as in the phase of project preparation;
- designing/development of sample projects,
- specification of concrete contact persons that would be in close contact with project submitters from the very outset thereof.

The instruments mentioned hereabove will ensure that – at the moment when the project is submitted to the relevant IBs – it will be actually slickly designed both in terms of content and form; that will ultimately lead to a simplification of the job of project managers pending administration of the projects. In case that an IB is unable to ensure the abovementioned - within the needed extent - v through its own capacities, the evaluator's recommendation is to ensue the said instruments through utilization of technical assistance instruments.

As a positive example, the currently announced public work orders may be viewed. The one is referred to as "*Analyses of absorptive capacity in intervention area 3.4 of the Integrated Operational Program and the provision of expert assistance to applicants for and beneficiaries of assistance*" and the "*Improvement of the effectiveness of realization of call of IOP 2.1 - Technological centers of regions*". Both epitomize the abovementioned type of assistance provided to applicants through the creation of sample projects and through providing technical assistance based on the utilization of external experts pending project preparation.

Whereas both orders are at the stage of selection of a suitable supplier, the effectiveness thereof is impossible to evaluate; what nonetheless can be assessed is the intent to use – for tackling problems like those mentioned hereabove – an instrument of the kind mentioned above.

An area per se is the issue of coordination of information provided to beneficiaries within IMDP. As an appropriate measure, recommended at this point may be CRD coordination meetings held with respective municipalities in pursuit of unifying the interpretation of frequent asked queries and/or a unification of the interpretation of respective annexes prior to the announcement of the call within IMDP. Such uniform interpretation ought to subsequently be used as an annex to the call – as a way of avoiding unclarities in document interpretation.

Relevant bodies:

- IOP MA
- IB IOP (IM, CRD)

Problem specification:

Low processual effectiveness of the 2 IBs - 1 IA (2.1, 3.1, 3.3, 3.4) model and of MA - CRD

Description of the problem

As for the engagement and cooperation of two different independent bodies within the respective phases of administration, the evaluator found that - in liaison with both the analysis performed and in terms of the effectiveness evaluation of the implementation – these are less effective. Though a crystal clear split of roles and powers between the cooperating bodies took place within the respective phases of administrative procedures, several problem areas are apparent in the given model; those, then, decrease the effectiveness of the given cooperation. In what way?

- high demands on na alignment and coordination of working procedures specified in WPM – the process of upgrade of working procedures established in WPM requires maximum collaboration plus subsequent uniformity of common procedures, deadlines and forms.
- Oscillation ineffectiveness - within one single process, oscillation of activities takes place among the bodies of implementation. Ineffectiveness of activities vibration is largely caused by the fact that – in terms of procedures delegated to CRD pending the process of administration – the performance thereof failed to be, for legislation reasons, transferred with full responsibility for the performance thereof (i.e. decision on the elimination of the project, alterations in the project) to the given subject of administration. The consequences of above mentioned facts are the cause of frequent transfers of components of projects including the creation of supporting justification and provision of explanatory information for the given action;
- shortening of time limits – transfer of project components shortens time limits for the performance of activities as such.
- increasing professional requirements upon CRD officials who currently cooperate on the administration of different IA (2.1, 3.4. 3.1, 3.3, 4.1, 5.2, 5.3 IOP).

Proposed recommendations:

The evaluator proposes the recommendations set out herebelow that ultimately may contribute to improved effectiveness of the established model of project administration:

- To create a sample model of cooperation of 2 IBs that will be applied upon respective IA using the 2 IBs model of established uniform procedures time limits and information transfers for the 2 IBs model. The purpose of the sample model ought to be a maximum accommodation of the administrative process, maximum concentration of realized activities within the framework of IB concerned, and minimizing oscillation in activities among respective IBs.

- To minimize the number of physical transfers of project folders between IBs, and to increase the number of electronic transfers of projects folders (related thereto is the requirement of having annexes submitted in electronic form).
- To put in place established time limits for the transfer of a project folder into WPM, to specify time limits for the transfer of a folder and for the pursuit of administrative activities administrative.
- To conduct administration of calls with a lower number of projects (3.3 and 3.4) and a uniform P-CRD, or HQ CRD.

Relevant bodies:

- IM
- MLSA
- CRD
- MA

Problem specification:

Call for applications submission

Description of the problem

Bar a few exceptions, the area of administration procedures may be marked as effectively functioning. However, reserves – in the entire range of administrative processes – re perceived by the evaluator in the quality of preparation of respective prepared calls in case of two Intermediary Bodies (i.e. IM and MC).

In case of IM, the problem lies in insufficiently scheduled and pre-arranged calls - both in terms of information for applicants, and in terms of capacities planning. Given the fact that an IB has to send in the complete documentation for the call pretty well ahead, and subsequently is forced to settle comments within the given extent, the entire process of the call preparation is highly ineffective and time consuming in terms of IB officials; lost time could be devoted to improving the roll-out quality of the call-related documentation. In the past, the problem tended to be exacerbated by the fact that announced calls would quite often fail to include complete and precise information; as a result, project managers got extremely flooded by a spate of queries raised by applicants. The problem is likely to have been caused by insufficient experience of respective officials with the preparation of background materials for the call announcement.

A separate issue within the given domain is the use of a suitable call relative to the type and character of projects, or rather in terms of the demandingness of the subsequent administration thereof. The problem proved to be paramount in case of the use of a continuous call in intervention area 5.1b in MC. Inasmuch suitable an instrument for enhancing the comfort of respective applicants the continuous call may be, it entails a fairly challenging mode of administration, requiring a great amount of experience in areas such as administration and drawing financial funds. It, then, was exactly the aforementioned demandingness and poor monitoring experience on the part of IBs that – in the past – had resulted in overrun of intervention area 5.1b allocation, and hence in jeopardy to the fulfillment of program targets.

In order to tackle the identified problems, the following measures may be recommended:

Proposed recommendations:

In case that the continuous call is used in any intervention area whatsoever, due to the demandingness thereof, a short-term regular monitoring needs to be set up, so that particularly the check of continuous drawing of allocated financial means is checked, and overruns thereof in future are avoided. In case that an IB fails to dispose of sufficient experience in application of the continuous call, it is appropriate to first use the said mode of call in rather areas where a lower number of projects might be anticipated, i.e. drawing of financial means may be managed a lot easier, as may

any and all other activities.

What is needed in case of insufficiently prepared calls under the auspices of IM, is to better and well ahead focus on both the planning and preparation of the call proper, and the relating technical documentation. Ideally, the specimen of an aptly prepared documentation for a call – from a different subsidy area – that is perceived as correct in terms of quality, might be used.

In case that so required by the character of anticipated projects, it is deemed fit to incorporate in the call documentation, e.g., a model project containing any and all project enclosures; these will make orientation in the requirements for a proper project for the applicant easier. For the preparation of documentation, the IB may utilize the devices of Technical support and of external capacities of professional experts; as per available information, that is currently under preparation within IM.

Relevant bodies:

IB IOP (IM, MC)

Problem specification:

The system of amendment proceedings on the part of MA

Description of the problem

Amendment proceedings of IOP program documentation may be classified as an already stabilized form of methodology support provided by OP MA to IBs. On the other hand, the evaluator has identified certain factors that decrease the effectiveness of the said instrument. Amendment proceedings currently takes place in a two-round written (electronic) form; thereafter negotiations between MA and IB representatives follow. Given the complexity and cohesion of the system of IOP documentation IOP, the said form of amendment proceedings is classified by the evaluator as a less effective way of providing methodology support at the stage of formation and updating IOP documentation, largely due to reasons stated herebelow:

- Length and demandingness of the amendment proceedings (in practical terms: 2-3 months);
- Cummulation in time of documents to be amended (i.e. it rather entails a one-shot activity - MA is peak-loadedly over-burdened when amending OM updates of respective IBs within a single period of time);
- Different experiences of respective IBs in creation of program documentation (problematic tends to be the quality of processing comments, and with grasping the comments of IBs lacking previous experience in developing program documentation);
- insufficient coordination of sent-in comments relating the documentation concerned (re-occurring comments);
- absence of operative form of documentation alterations in case that a quick change is needed (low flexibility of procedures).

The aim of the below mentioned recommendations is to effectively lower the factors identified above; namely decrease the effectiveness of established instruments of methodology support provided within IOP implementation system.

Proposed recommendations:

In pursuit of cutting the time spent on amendment proceedings and improving the method of handling comments, the evaluator proposes to cut the process of amendment proceedings down to 1 electronic round, to be followed by bilateral negotiations held between respective parties involved. Bilateral negotiations will significantly speed up and clarify the process of submitting comments, and will ensure quick understanding of comments on the part of IBs; moreover, it will clarify disputed items of the amendment proceedings. At the same time, the process of bilateral negotiations is seen as a suitable instrument for reducing the differences in the amount of experience gained by respective IBs.

As a solution of insufficient coordination comments within the amendment proceedings, the evaluator recommends to install the position of coordinator of comments (within MA); it will be his task to ensure unification and alignment of comments sent in to respective sections and departments of MA , or when applicable – to CRD. Through elimination of repetitive and conflicting comments, improved effectiveness in amendment proceedings will be achieved, as will better orientation in the entire system of comments. At the time of evaluation finalization, MA commenced active work on systemizing comments. It, then, may be stated that MA has already got down to the solution of the problem concerned.

As for the solution of the problem of cummulation of a huge number of amended documents within a brief stretch of time, the evaluator proposes an extension of mandatory time limit of 20 business days, currently available for sending OM IB upgrades. Though the extension of the time limit provided for an OM IB upgrade is not seen as a measure capable of directly eliminating the anecdotal character of the given activities, the proposed recommendation may indirectly impact upon the effectiveness of the process of submitting amendments. What the extension of the time limits available for processing upgrades of IB documentation will bring along is an improved quality of upgraded versions, and that will in turn simplify the subsequent process of comment submission; last but not least, the sent-in documents will spread within a longer period of time (meaning a drop in the bufferness of activities).

In order to increase flexibility of the amendment proceedings, the evaluator recommends setting up the institute of fast-track amendment proceedings; it ought to be used solely for operative alterations of documentation. The institute of fast-track amendment proceedings would be intended to review and adjust documentation that requires a quick and flexible adjustment/correction, such as – for example – the alteration of announced MARFA, ensuring flexible communication with applicants/beneficiaries in the form of MP, and suchlike.

Problem specification:

Lack of experience in the area of SF

Description of the problem

As part of IOP system implementation, a couple of brand new IBs have currently cropped up, lacking appropriate experience with drawing of financial means from Structural Funds. That in particular applies to IM and MC. Engaged into the implementation is moreover MLSA as a subject that admittedly disposes of experience with implementation of Structural Funds, though solely in the area of non-investment projects. Nonetheless, methods used for implementation of non-investment projects differ from those applicable in case of investment projects; as a result, in quite an instance, those cannot be applied. These facts do have quite an impact upon the quality of the IOP implementation process in selected intervention areas under the charges of aforementioned bodies, as - within the framework of those, apart from a poor level of IBs experience as a whole, the administration process is often impacted by the poor savvy of respective members of staff.

The point here is that the core problem is not in the system of training aimed at respective concrete professional issues. Training courses such as, e.g., the course run for those wishing to use MONIT system, or training sessions devoted to further partial implementation elements are evaluated as sufficient. The problem rather is with instilling a general awareness of the system, its cohesion, and – potentially – on the differences between respective IBs, in new

coming staff. Quite often, the problem applies to individuals in case of who a systems education would most likely be ineffective. The entire subject agenda is moreover slippery by the fact that the experience of IBs and experience of respective officials differ dramatically across respective IBs. Hence, it is tough to find one plainly applicable method of tackling the said agenda.

Viewed from the perspective of the entire system, the above is a problem that might be suitable to solve from the position of MA, that namely being an agent that – given its experience – may be able to be of assistance to respective less experienced IBs – either directly or through mediating the opportunity to swap experience with respective IBs. Nonetheless, here too, finding of an apt way is intricate as some IBs perceive support on the part of MA as sufficient, yet particularly less experienced IBs would welcome being provided with increased assistance in acquisition of experiences with SF management as a whole.

For the said activity, the services of a work group set up for methodologists are used on a standard basis. Within respective IBs, methodologists do most often provide for the “homogeneity” of the entire process of management of the given OP and/or of the intervention area. However, within the current IOP implementation system, no such group exists. As a result, other ways of how to tackle the problem with experience swap assistance need to be sought for.

Proposed recommendations:

One of the options applicable for ensuring appropriate methodology support is the establishment of a work group for methodologists on the level of MA. The WG would serve for the coordination of procedures of respective IBs and for the swap of experiences among respective IBs within IOP; that, then, would be seen worthwhile particularly for IBs lacking previous experience with Structural Funds (SF).

Should the said instrument fail to be considered effective – irrespective of whether due to disinterest of some IBs or, e.g., due to already existing other work groups likely to fulfill the same role, another method of passing over experience must be opted for, such as, e.g., via intranet on which MA would – for example – display specimen of elaborated calls or – if applicable – calls of IBs offering models of well prepared parts of management documentation, and suchlike, with the stipulation that every IB would have a chance to have a look at the examples of drawn up and recommended specimen, and use those for his own needs.

It might be an idea to take into account the insufficient experiences of some IBs within the education system. As part of some IBs, officials are namely recruited for brand newly set up positions. In such case – as things currently stand in such IB – there virtually is no one who would impart necessary experience thereto on how the system actually works. Instead, officials tend to be sent out to pass a concrete technical training course such as, e.g., how to process evaluation-related background materials and suchlike, yet lack sufficient savvy on the operation of the system as a whole; that, then, *de facto* precludes adequate utilization of the knowledge acquired at the technical training course. It might therefore be appropriate to ensure some kind of elementary training, or to tackle the problem through some of the abovementioned measures intended for coordinated swaps of experiences between respective IBs.

Relevant bodies

- IB IM
- IB MLSA
- IB MC

Problem specification:

Poor effectiveness of the Work groups communication instrument

Description of the problem

Work groups epitomize a communication instrument of IOP implementation system that contributes to coordination of procedures and solutions of current problems and issues relevant to the given WG type. The assumed benefit of work groups is seen in the opportunity of get-togethers of MA with representatives of IB responsible for the given specific

implementation area, in information transfer that will help improve coordination procedures within the given domain, as well as in the opportunity to swap experience with respective bodies. To attain effective operation a sufficient benefit of the concerned communication instruments for the bodies involved, as well as for the entire IOP implementation system, it is necessary that the no less than the 5 factors listed herebelow are fulfilled:

- Presence of MA representatives and of representatives of all IBs;
- competency and professional savvy of present participants regarding the given subject area;
- reflecting hot topics and concerns of IOP implementation;
- distribution of information and conclusions arrived at within MA and IBs;
- respecting the conclusions made at WGs, and reflection thereof MA and IB procedures.

Of the results of the analysis and directed interviews performed with MA and respective officials of IBs, it ensues that opinions held by MA on the one hand, and those held by IBs on the other hand on the fulfillment of the abovementioned prerequisites, and on the degree of contribution of WG, differ, or rather are conflicting. Having performed an identification of risks decreasing the effectiveness of the evaluated communication instrument, the evaluator is providing recommendations on individual risks that will help minimize the potential risks. That first and foremost applies to the following identified risks:

- Poor attendance of IBs on respective WG;
- in terms of the subject area tackled, lack of competency of officials participating;
- relative to respective IB - lack of relevancy of topic tackled at WG;
- insufficient dissemination of information gained at WGs within the IBs;
- insufficient enforceability of tasks set within WG by MA to be performed by IBs.

Proposed recommendations:

In order to eliminate the risks mentioned above, the evaluator recommends:

- To embed the obligation of IBs' attendance in OM IOP and MPP IB;
- in case of heads of IBs, clearly nominate competent persons who will attend the given WGs;
- to actively engage MA and respective IBs in the preparation of the agenda, reflect topics and problems viewed as topical by respective IB;
- to negotiate on WG sessions problems and topics tackled on MA - IB get-togethers, i.e. those that thematically fall within the given WG;
- to increase the number of methodology training sessions run within WG that are – by respective IBs – evaluated as fairly positive;
- to use WG for passing over to IOP MA experiences gained by respective IB (presentation of the given subject area and a solution thereof within the given subject);
- to ensure information transfer inside respective IBs (i.e. set internal IB procedures for information distribution, use extranet as an instrument on the level of MA – IB, and intranet on the level of IBs, with regular presentations of WG outputs on IB management meetings);
- to perform regular evaluations of the WG communication instrument in pursuit of verifying the proper orientation and effectiveness of the instrument concerned.

The last evaluator's recommendation is concurrently targeted at generally all instruments applied in communication between MA and IBs. A quantity-wise evaluation of the communication instrument will – among others – provide for an evaluation of participation of respective bodies, and to recognize the said fact within the context of fulfillment of obligations by the given IB. A quality-wise evaluation will contribute to the correct thematic orientation of WG. Despite the abovementioned recommendations, as a high risk – seen by the evaluator - in terms of WG effectiveness, is the poor enforceability of the fulfillment of obligations of IBs (arising from WG meetings) on the part of MA.

Relevant bodies:

- MA
- IB IOP

Problem specification:

Insufficient interlinkedness of *AbCap* - evaluation monitoring

Description of the problem

The absorption capacity of a program may be defined as the level of effective utilization of allocated sources from EU funds set aside for the accomplishment of the program objectives. Hence, the absorption capacity is evaluated based upon two criteria:

- a) Extent of utilization of allocated financial means (i.e. how much was drawn down?)
- b) Effectiveness of utilization of financial means (i.e. in what an extent have those contributed to the fulfillment of program objectives?)

Boosting the absorption capacity is a process that – within the framework of operational program implementation – is cyclical in character; in terms of implementation processes, it is cross-sectional. The cyclical character of boosting the absorptive capacity may – with some simplification – be expressed as follows:

Program/project monitoring @ program evaluation @ draft measures/projects of technical assistance to boost absorptive capacity @ implementation of measures/projects @ evaluation of measures/projects.

Based upon an analysis of the process absorptive capacity management, identified by the evaluator as a problem was the absence/absence of interconnectedness of management with boosting the absorption capacity with the processes of program monitoring and evaluation. That particularly entails:

- One-shot pursuits of an analysis of the absorption capacity on the part of MA a IB as at a firmly fixed date; as things stand, absents are analyses performed on the basis of the actual critical state of program development (i.e. based on the results of monitoring the program or – where applicable – the given intervention area).
- An unclear link between the pursuit of analyses with program evaluation, particularly with regard to avoiding duplications in conducting analyses and evaluations (absorption capacity evaluation constitutes part of IOP evaluation plans).
- pursuit of analyses solely by bodies of the implementation system (or, where applicable, by MA - IB) – from the procedures it does not follow whether or not the analyses (and/or evaluations) are conducted by independent external evaluators.

Identified moreover was nonexistent evaluation of the effectiveness of measures adopted, as well as an absence of procedures applicable for an analysis of absorption capacity in WPM IB.

Proposed recommendations:

With respect to problems identified hereabove, the evaluator's recommendations are as follows:

- To perform analyses of absorption capacity on the part of MA and IB on the basis of current critical state of program development (i.e. on the basis of monitoring the program or – where applicable – the intervention area concerned);
- to clearly set competences (MA - IB) and core procedures pro conducting analyses, including embedding thereof in WPM IB;

- to engage for the pursuit of analyses (or – where applicable - evaluations) external evaluators; those will ensure an unbiased view upon the subject area concerned; in particular, the evaluator recommends to hire external evaluators for carrying out regular evaluations of AbCap and – given the gravity of the results obtained form a continual monitoring of the program – also for *ad hoc* evaluations of AbCap);
- to lay down the pursuit of both regular and ad hoc analyses of AbCap as a form of evaluations carried out by external bodies in IOP evaluation plans and evaluation plans of IBs (supposing such plans actually exist);
- to set procedures for adoption of measures based upon the results of analyses (evaluations) performed, and based on evaluation of effectiveness thereof.

Relevant bodies:

- MA
- IB

Problem specification:

Insufficient regular short-term monitoring of respective IA and of IB activities

Description of the problem

Regular short-term monitoring and data analysis (i.e. monitoring in shorter time frequencies, usually performed on a monthly basis), the output of which is a monitoring report, provides for an evaluation of the current status of the implementation program and a timely risk identification. It thus represents a suitable instrument for monitoring both the development of the program or, where applicable, of respective intervention areas, and for monitoring of the fulfillment of obligations in IBs. At the same time, it provides for a timely response to identified risks.

Based upon the performed analysis, identified by the evaluator **in the area of regular short-term monitoring program** were the following problems:

- Absence of regular short-term monitoring and data analysis, the output of which provides for an evaluation of current status pending program implementation, and a timely risk identification. On the part of MA, carried out is short-term monitoring via DB configuration generating, based on the analysis thereof, however, no output is made that would lucidly demonstrate the development of financial and matter-of-fact progress achieved in respective intervention areas.
- Insufficient engagement of IBs in the pursuit of regular short-term monitoring – Responsible for monitoring on program level is MA. However, IB perform activities that indirectly require the pursuit of regular top-quality short-term monitoring on the intervention area level, or – where applicable – the utilization of data obtained from monitoring (such as, e.g., planning calls, continuous call management, realization of evaluations, analysis of absorption capacity). From the performed inquiry it follows that IBs do not perform regular monitoring or, rather, that unclear to them is the distribution of competencies within the given domain between MA and IBs or the essence of regular short-term monitoring. The is a fact that is reflected even in the absence of procedures for short-term monitoring in WPM.

The above mentioned problems epitomize the risk for the successful realization of respective intervention areas, as well as of the entire program.

Regular monitoring activities are carried out through the **Monthly report on the activities of IBs within the IOP**, submitted in regular monthly intervals by IBs in electronic form to MA (the guarantor of the given IB). Based upon conducted analyses, **in the area of regular short-term monitoring of IB activities on the part of MA**, identified by the evaluator were the following problems:

- Poor effectiveness of Monthly reports on IB activities in IOP for monitoring IB activities, namely particularly due to the unsatisfactory content structure and varying level of particularity of information bits received from respective IBs.

- Poor cohesion of the report with information on the realization of respective intervention areas within the gestion of respective IBs (i.e. the factual and financial monitoring of each area of intervention).
- Non-stabilized system for reporting and assessment of reports submitted to MA (irregular reporting on the part of IB, irregular assessment of reports on the part of IOP MA).

Therefore, monthly reports on the activities pursued by IBs within IOP may be classified as a solely formal instrument for monitoring of IB activities, an instrument for identification of potential risks that in practical terms is not effectively made use of.

Proposed recommendations:

Based upon abovementioned problems in the **area of regular short-term program monitoring** the evaluator's recommendations are:

- To use the instrument of monthly monitoring reports, and turn it into an effective instrument of monitoring the development in program realization and of a timely risk identification, with the pre-requisite being a quality and regular assessment of the said reports, and the adoption of measures to avoid identified risks. According to MA officials, currently the structure of monthly monitoring reports is being created, or rather the testing thereof in practice. That is a fact that the evaluator classifies as an asset.
- To clearly outline the roles of MA and IBs in the short-term monitoring on the program level, and/or of intervention areas and their embedding in OM IOP and MMP IB (incl. the creation and evaluation of monthly monitoring reports).
- To use work groups for monitoring to coordinate short-term monitoring and to provide methodology support to IBs that are lacking experience with monitoring on the program level (intervention area).

Based upon problems listed hereabove in the **area of regular short-term monitoring of IB activities** the evaluator recommends – as a way of increasing the effectiveness of the instrument available in the form of Monthly reports on the activities of IB pursued within IOP – the following steps:

- Coming up with a structure of reports containing solely information that are relevant only in terms of evaluation of the fulfillment of obligations by IBs.
- Avoiding duplicate reporting on the part of IBs (i.e. ensure that one and the same activity is reported on in one form only).
- Ensuring mutual cohesion of the report with the monthly monitoring report on the realization of the program (i.e. reports ought to be mutually complementary and information duplicities should be avoided).
- Stabilizing the system of regular evaluation reports on the part of MA (i.e. perform an efficient regulatory control of the pursuit of evaluation; set - and abide by – evaluation limits, ensure a presentation results evaluation on the MA – IB get-togethers, or on the extranet, engage IBs in a discussion on potential measures - if deemed relevant in relation to the gravity of a finding).
- Stabilizing the system of regular report creation, particularly through increasing the awareness in IBs on opportunities to harness such information for both MA, and for IBs as such (i.e. execute evaluations of the given information bits on both the level of MA and inside relevant IBs).

As per the information from MA officials, at the moment a discussion is in progress on the new structure of the Monthly report on the activities of IBs pursued within IOP, as well as on the cohesion thereof with information coming from monthly of the matter-of-fact and financial fulfillment of the program.

Relevant bodies:

- MA
- IBs

Problem specification:

Absence of a databasis of external experts (IB MC)

Description of the problem

For the IB MC, as well as for other IBs, the use of external experts entails a suitable solution in case that IB does not dispose of its own officials with sufficient (or specific) expertness necessary for a comprehensive evaluation and control of projects, or when the IB has not ensured a sufficient staff of its own. Already at this point, on the part of IB MC, external experts aroused in the phase of reviews of accessibility of the project in the area of public project support. However, given the increased demands laid on expertness of staff carrying out control of project realizations (ensuing from the character of an average financial amount of a project equaling 400 million CZK), , and bearing in mind the anticipated number of projects realized (i.e. no less than 20 projects), and the insufficient capacities of human resources in departments participating in project reviews, the assumption (and concurrently the evaluator's recommendation) is that more external experts be used. Within the given context, identified as a problem by the evaluator was the fact that, in this phase of realization of intervention area 5.1., IB MC does no longer dispose of the databasis of external experts, and that the selection (or rather search for) appropriate experts is – on the part of IB MC – assumed only in case of hot need. In the said procedure and absence of databasis, the evaluator sees a risk in terms of ensuring a sufficient flexibility and promptness of project reviews.

Proposed recommendations:

In order to ensure the flexibility of project reviews, the evaluator recommends creating a databasis of external experts. Experts are ranked in the database upon the fulfillment of pre-defined qualification requirements set by IB MC. The given requirements are recommended (by the evaluator – to be updated on a regular basis to fit the needs of IB MC, and in response to the previous experience gained with hiring external experts. For addressing candidates, recommended is a call to be announced on www.kultura-evropa.eu and on www.structuralni-fondy.cz. At the same time, recommended is to make use of references from MA or IBs of other OP disposing with analogous databases (i.e. particularly Regional operational programs, disposing with databases of external experts, incl. experts for investment projects realized in the area of historic relics). In pursuit of a regular update of the databasis, taken into account are experiences of IB MC with concrete external reviewers.

Relevant bodies

- IB MC

Problem specification:

Insufficient competences in terms of matter-of-fact expertness

Description of the problem

Intervention areas selected within the framework of IOP epitomize a very specific area of support, requiring an expert savvy of the given subject area both for the set-up of respective processes and for the subsequent communication with applicants.

As examples of such complex intervention areas, areas 1.1, 2.1 and 3.4 may serve, aimed at upgrade of public administration and services provided in the area of safety and risk prevention. In both instances, any and all processes and the set-up of respective calls need to be specifically adjusted to match the character of anticipated projects so that complications, if any, arising due to a flawed set-up of the entire project administration process, are avoided.

As an optimum, within the framework of the relevant IB, an expert official well acquainted with the expert subject area ought to be appointed for the said areas, so that he could be of help in setting-up conditions prior announcement of the call, and subsequently tackling issues of technical character raise by respective applicants. Among other things, the number of thus allocated officials ought to be in compliance with the assumed number of calls, or rather to the anticipated number of queries derived from the number such staff, so that individual queries might be responded within realistic time limits.

In the past, the above condition was not always met. In consequence, problems occurred with insufficiently prepared project submitted on the one hand, and with significant delays in responding the queries of respective applicants who

would quite often classify the problem as the most critical one within the entire process of application submission and approval.

The purpose of recommendations listed herebelow is to effectively reduce/eliminate the problems identified so that the impact thereof upon the effectiveness of project administration within IOP implementation system is eliminated to a maximum degree.

Proposed recommendations:

As per information available, the problem has already been partially resolved through the appointment of responsible officials at the IM who are in cooperation with DSF in the area of responding technical queries, and/or in fine-tuning respective administrative processes to match the anticipated types of processes.

Apart from appointing responsible officials, it might be fairly apt to – for each following call – consider the elaboration of a set of possible queries of technical character, plus responses thereto, and subsequently to incorporate the queries and answers in the call-related documentation, and/or to publicize those as part of each call at the appropriate portal - together with other background materials.

Moreover, as a suitable procedure, the opportunity to prepare for the respective calls to follow a model project that would serve as an aid for applicants in preparation of their own projects, or – potentially – clarify technical queries relating respective projects.

Here too – as per information available – the subject area is tackled in line with the abovementioned recommendation. Hence, what only can be recommended is that appropriate attention be devoted to the preparation of both the model projects and to the set of frequently asked questions (FAQ), so that those would fulfill their role in facilitating the applicants the preparation of projects.

Relevant bodies:

- IB IM

Problem specification:

Long time limits for project administration

Description of the problem

Though in all evaluated areas, project administration takes place without encountering major problems, in some instances, partial controversies are identified; due to these, the process of administration get complicated and/or longer.

The aforesaid particularly applies to areas falling under IM and MC; there problems tend to occur that subsequently extend the entire process of project administration:

- Mainly major projects within the areas 1.1 and 3.4. are often submitted poorly prepared; hence, instead of the process of project evaluation getting launched in turn, projects are replenished and modified, and that subsequently extends the time limits set for project administration, and/or leads to failure to observe those;
- within the IM, internal regulations exist that complicate the observance of time limits set for project administration, or even render those infeasible;
- in case of MC, the problem of time limits is linked with a couple of factors of which the first has to do with cooperation with MF where an official often fails to observe the deadlines set for his activity due to absence of substitutability and absence of instruments needed for to enforce the observance of time limits on the part of MF. The result is an extension of the time taken by project administration prior to approval of the Decision on the provision of a subsidy/Set expenses for OES, incl. Conditions, and in delays in the launch of project realization.

- as additional critical points leading to an extension of application administration at the MC, identified was project evaluation by public support experts in the phase of acceptability reviews, where no time limits are established for the preparation of an expert's opinion, settlement of findings from acceptability reviews, and of formal particularities on the part of an applicant, and approval of the project Registration list and of the Decision on the provision of a subsidy/Set expenses for OES, incl. Conditions, on the part of MF – with the abovementioned problem of failure to observe time limits on the part of MF.

The purpose of the below mentioned recommendations is to – in an effective way – curb/eliminate the identified factors that decrease the efficiency of project administration within the IOP implementation system.

Proposed recommendations:

As step No. 1 leading to the solution of the problem, it might be appropriate to develop a processual map evaluating the time limits set for respective activities relating project administration and to - on the basis of thus elaborated survey – subsequently evaluate which limits are not observed in practice, including the causes behind the failure.

The background document ought to serve as input for the forthcoming review of procedures going on in OM of a relevant IB so that time limits that fail to be observed for objective reasons be adequately extended, and that failure to meet deadlines be curbed if the reasons behind cannot be influenced.

In case of time limits with non-observance caused by, e.g., external evaluators, the process needs to be adjusted in a way stating that time limits are binding and enforceable.

In case of MF, negotiations need to be launched on the solution of the nonobservance of procedures by the MF so that – based on mutual agreement – the time limits either be adjusted or observed.

In the process of negotiations with MF, a partial role should be played by even the MA; he ought to give a helping hand to the relevant IB in negotiations with MF.

Relevant bodies:

- IOP MA
- IB IM
- IB MC

Problem specification:

Insufficient pre-requisites for a successful realization of project reviews, particularly of CAC (IB MC)

Description of the problem

As a way of prevention, identification, and redress of errors and deficiencies on the level of beneficiaries, IOP MA ensures that controls are pursued. Delegated with the pursuit of control of projects in intervention area 5.1 was – by IOP MA – the IB MC. Though in terms of phase of realization of projects in intervention area 5.1, it was impossible to – within the evaluation - sufficiently assess the functionality of the control system, based upon the performed analysis, the evaluator identified risks that may have an impact upon both the functioning of the given system, and the quality of controls carried out on the part of IB MC. Concerned are the following cases:

- Poor level of understandability of procedures pro pursuit of the control activity, and an unclear cohesion of respective activities relating the dispensation of controls (administrative control of the project - risk analysis – monitoring visit - public law control), incl. unclear moment of pursuit thereof – the risk is higher in case of an IBs lacking established control procedures build on the basis of previous experience;
- distribution of responsibility for the pursuit of control between the Section of internal audit and reviews - IACS (public law reviews on the spot - CAC) standing beyond the organizational structures of IB MC and IDPM (other forms of reviews) – the given distribution ensues from internal rules of MC CR;

- insufficient staffing in terms of expertness (IDPM and IDFM do not dispose with adequate experiences in pursuing control activities, and in particular with execution of CAC; at IACS, the position was filled in January 2010, i.e. the official concerned fails to dispose of sufficient experiences with implementation of intervention area 5.1);
- insufficient staffing in terms of capacities (low number of IDPM and IDFM officials relative to the anticipated number of projects realized, unsecured substitutability of IACS official).

Moreover, the evaluator identified critical points that might impact the efficiency of the pursuit of control activities, as well as the effective pursuit of reviews of observance of beneficiaries' obligations. That implies:

- ineffective pursuit of ex-ante monitoring visits in a 100% sample of projects;
- low number of physical checks conducted – compared to the financial volume of projects – in the sense of Art. 13 of implementation provisions (with an average size of a project equaling 400 million CZK; and in WPM IB embedded is the obligation to carry out only 1 CAC pending a project realization; no clear regulations ensue from the provisions for the frequency of monitoring visits; monitoring visits fail to meet the definition of controls in the sense of Art. 13 of the implementation provisions);
- engagement of IMD in control activities (attendance on monitoring visits or CAC) in terms of the scope of activities and the time load of the department concerned.

Proposed recommendations:

In pursuit of elimination of the risks mentioned hereabove, the evaluator recommends to:

- revise the descriptions of procedures in WPM IB MC relating control activities – describe procedures in a way guaranteeing a clear cohesion (or rather mutual sequence) of respective activities associated with the pursuit of controls, as well as the moment when a certain form of check was carried out, make use of graphic patterns or of summary tables; on the part of MA – to provide methodological support to the said review;
- set clear communication rules and mechanisms for carrying out communication between IB MC and IACS (or rather SDSB, IDPM, IDFM and IACS); engage IACS in regular briefings held by IB MC on the level of heads; make use of the communication instrument epitomized by the kultura-evropa.eu web portal intended for information sharing;
- make arrangements for intensive education of IDPM and IDFM staff in conducting financial reviews (use both external training/education services, and education events run by MA; an opportunity to swap experience with other OP disposing of experience with investment projects controlling, gained in either the current or previous program period; engage an IACS official into in-house training (i.e. into education/training events run by IOP MA or, where applicable, by NOC).
- strengthen the capacities of IDPM, IDFM and IACS (here substitutability needs to be ensured); engage in the pursuit of controls (particularly physical ones) external experts;
- engage IMD in control activities only if so required relative to the finding made;
- increase the effectiveness of control activities in ex-ante phases – based on risk analysis results, conduct monitoring visits solely in case of projects of which the sum of all points awarded in the risk analysis exceeds the point limit of an acceptable risk rate of the project (alternatively, the list of project thus controlled might be replenished by additional cases – projects requiring an on the spot verification the competency of declared assumed expenses, and/or projects that – in terms of pre-defined criteria of risk analysis – exceeded the acceptable risk rate);
- review the set-up of the controlling system for the interim phase – take into consideration – when opting for a form of check – the risk rate of the finding; perform on-the-spot physical reviews that comply with the control definition in the sense of Art. 13 of the implementation, on the basis of no less than once pending each phase of a project; provide methodology support to the review on the part of MA.

Relevant bodies:

- IB MC
- IOP MA

Problem specification:

Content structure and quality of program documentation

Description of the problem

One of the key re-requisites of the functionality and efficiency of the implementation system are coherently described procedures with a clearly established guarantee and additional attributes (such as inputs, outputs, etc.), as well as a mutual cohesion of procedures of respective bodies (particularly of MA - IB and IB in IA, in the implementation of which involved are multiple IBs). Beneficial in terms of the fulfillment of the said pre-conditions is utilization of the processual model that is particularly (though not exclusively) suitable for a more complex organizational structure.

Based upon the analysis of program documentation of MA and of IBs (OM IOP and WPM IB), the following problems were identified by the evaluator:

- A diverse structure of documentation and different approaches towards descriptions of procedures of respective of bodies (partial application of the processual model vs. monitoring of the project´s life cycle).
- Varied level of particularity applied in respective manuals.
- Insufficient cohesion of WPM IB with OM IOP in processes that are related to program management (monitoring, evaluation, absorptive capacities) of which also obligations for IBs ensue.
- Insufficient cohesion of WPM IB engaged in implementation of one support area (different structure of documents, flawed references, overlapping or unclearly established guarantees, unclear definitions of inputs outputs).
- Poor lucidity and understandability of description processes/activities into which multiple bodies or processes are engaged – all characterized by demandingness in terms of the number of activities (reason: failure to use graphic patterns and summary charts).
- Poor searchability of alterations carried out, aggravated opportunity to chase the development of alterations in documentation due to absence of review recordings (WPM IB CRD and WPM IB MLSA).
- Absence of detailed procedures for IOP MA officials subject to official process of documentation approval within MA, or within the implementation structure.

On the one hand, the abovementioned problems epitomize a risk in terms of an effective pursuit of activities by officials of the respective bodies; on the other hand, they lower the possibility to carry out an effective management control of the bodies concerned, as well as of the control of observance of obligations IB on the part of MA (incl. effective utilization of on-the-spot public law control as a way of enforcing the observance of obligations of IBs).

Proposed recommendations:

With regard to the problems mentioned hereabove, and the potential consequences thereof, the evaluator recommends that – at the nearest review of program documentation, the following be done:

- Incorporate to WPM IB the absenting procedures for carrying out processes that are included in OM IOP, of which obligations ensue for IBs (what needs to be ensured is moreover a clear embedding of the distribution of competences on both the level of IOP MA - IB, and on the level of respective IBs);

- remove deficiencies in interlinkedness of WPM IB in the form of flawed references, overlaps or unclearly established references.
- set – on the part of MA – rules stipulating the level of particularity (or – put more precisely – set attributes that will comprise any and all descriptions of activities of WPM), and – on the part of IB – apply the set rules into WPM);
- embed into OM IOP and WPM IB graphic flowcharts or summary tables (if possible, opt for a uniform approach to be applied within the entire documentation) in the description processes/activities in which multiple bodies are engaged, or in processes characterized by demandingness in terms of the number of activities;
- introduce a system of review records in case of WPM IB CRD and IB MLSA.

In respect of IOP MA, the evaluator´s recommendation is:

- To develop an internal MA manual, building on already applied procedures, and subject it to official approval procedures within MA, or – if applicable – the implementation structure;
- When developing the manual, factor in the findings, problems and recommendations applying to WPM IB (particularly relative the document structure, understandability and particularity of the description of processes/activities, including guarantee statement).

Given the exactingness of performance – in respect of the phase of IOP implementation – the evaluator´s following recommendations are – rather than towards the current implementation of the program – oriented towards the forthcoming program period. For operational programs in the implementation of which engaged are multiple IBs, the evaluator´s recommendation is:

- To use the processual model for setting up and description of procedures inside the implementation system;
- to centrally (i.e. through MA, based on a discussion with IBs) set to all bodies (MA, IBs) elementary rules for the structure and particularity level of manuals (incl. setting basic attributes for the description of processes and activities) and observe the said rules during the creation thereof;
- to coordinate and continually check the creation of manuals, the procedure proceeding from the set-up (description) of the structure of mega processes and processes to a more detailed description of activities; utilize the instrument of work groups for coordination (ideally on the level of methodology staff of MA and IB, responsible for the creation of the documentation of the subject concerned).

Relevant bodies

- IOP MA
- IB

Problem specification:

"Mirror projects"

Description of the problem

Intervention area 4.1 is specific in its multitargetness; supported activities are namely targeted - apart from the Convergence Target (i.e. all CR except for the capital of Prague) – mirror-wise to the Regional Competitiveness and employment (capital of Prague) Target. Projects are of national and systems significance. Hence, rightful applicants for activities 4.1 a, b, c, e are the tourist section of at MLD and Czechtourism; for activity 4.1d it is a non-state non-profit organization plus special-interest organizations with a nation-wide sphere of action in Tourist Industry.

Given the requirement of separate financing of projects within the aforementioned Targets, activities of respective projects are realized within the framework of two identically oriented projects, i.e. both for the Convergence Target and for the Regional Competitiveness and Employment Target.

That however is a prerequisite that appears to be a rather limiting factor and – given the increased administrative load of applicants/beneficiaries – it may ultimately result in a drop in interest first and foremost in case of activity 4.1d (i.e. presentation and promotion of cultural wealth and natural luxury, cultural industry and services) and – *in extensio* – in jeopardy to drawing the allocation intended for the intervention area concerned.

Proposed recommendations:

As one of the possible solutions, the change of the IOP Program document appears, including lifting the obligation to realize two independent separated project application (particularly in intervention area 4.1d). Nonetheless, what the said solution requires is:

- The fulfillment of the requirements of Art. 33 of EU Directive No. 1083/2006;
- approval by the IOP Monitoring Committee and by the National Coordination Authority (MLD CR);
- briefing the authorized bodies of the European Commission;
- provision of an audit track of alterations performed, and
- incorporation of alterations into any and all documentation.

Regardless of the above, the evaluator recommends considering thereof.

In terms of ensuring a smooth course of implementation and of the fulfillment of the $n+3/n+2$ rule within the said intervention area, a vital prerequisite is the provision of quality support during the preparation of projects and the entire time of realization thereof. Delays, if any, in the schedule and/or any complications can jeopardize the successful realization of the given part of OP. Nonetheless, from the analysis and the directed interviews it has ensued that even in activity 4.1d, characterized by a relatively narrow and small circle of potential applicants, methodology support is provided fairly intensely with bodies concerned being directly addressed.

Relevant bodies:

- IOP MA

Problem specification:

Absence of an instrument applicable for improving communication effectiveness and information transfer between MA and IB within relevant IBs.

Description of the problem

Though the way of communication and of utilization of communication instruments for information conveyance between the Managing Authority and Intermediary Bodies of IOP implementation system may be classified as a process established among respective bodies engaged in IOP implementation IOP, within the analysis conducted, several partial problems were identified; these subsequently reduce the effectiveness of applied instruments, as well as the orientation and flexibility of communication within MA – IB, and IB as such.

In terms of evaluation of the quality of communication instruments used for communication between MA and IB, the basic prerequisite for the advancement and spread of information within the entire implementation system is the IOP, and the transfer of relevant information to a competent person requiring such information for the pursuit of his or her activities. That means that the quality and effectiveness of applied communication instruments is extremely impacted by the set-up of the communications platform within the respective IBs. Though almost every IBs have internally, in their IBs, set-up information-dissemination systems, the quality and reliability of the set-up communications platforms depends on the consistency of respective communications officials (filing relevant information on a shared IB file, provided that it had been put in place, the transfer of information within the IB to competent officials, etc.) whilst – by the evaluator – the said factor is viewed as risky and less effective. Given the complexity of IOP implementation structure, and the high number of bodies engaged, the evaluator states that a support instrument needs to emerge

that will ensure accessibility of information to all relevant bodies with the least possible risk of an information bit getting lost, and with minimal time lags.

The abovementioned problem, including the not always sufficiently functional communication between respective sections or levels of IB, results – on the one hand – to a subpar shift of information and – on the other hand - increases demands laid on personnel, time, and methodology resources of both MA and IBs.

Proposed recommendations:

The proposed recommendations is largely aimed at a greater elaborateness and automation of IOP communication system - in pursuit of ensuring the timeliness and verifiability of delivery of key information bits within IOP implementation system. The purpose of the said recommendations is to eliminate the identified risk factor of information transfer and dissemination in accordance with the quality of communications platforms of respective IBs.

The recommendation applies to the support of emergence of the so-far not utilized communication instrument in the form of a uniform dedicated communication interface made accessible for all bodies involved in IOP implementation – IOP Extranet. The said form of the communication instrument has not yet been established between the respective bodies of IOP implementation, and still, the utilization of the given communication interface within the complex implementation system will effectively boost communication between MA and IBs, will ensure uniform access to information to any and all bodies of implementation, and will help eliminate identified processual cases of ineffectiveness occurring within the dissemination of information between MA and IBs (loss of information, existence of duds, insufficiently set communication channels within IB IOP, etc.).

Hence, the subject of recommendations is the creation of a communication instrument that will strengthen communication links within the IB IOP implementation system whilst ensuring the timeliness and uniformity of information provided to all bodies engaged in IOP implementation IOP – emergence of a common communication interface for bodies engaged in IOP implementation.

Relevant bodies

- MA
- IB IOP

Problem specification:

Absence of a sufficient instrument for ensuring data up-to-dateness in IS Monit7+

Description of the problem

Inasmuch *Monit7+* monitoring system may be regarded a functional instrument for IOP management, the quality and usability of the aid instrument is largely impacted by the up-to-dateness and quality of data entered into the IS by respective bodies. Though for ensuring the quality of the predictable potency of the monitoring system, a continuous check of data entered through the IS Monit 7+ system is realized by IOP MA, MA does not dispose of an effective instrument capable of ensuring a check of a consistent fulfillment information loading into IS Monit 7+.

Responsibility for the quality, up-to-dateness, and consistent fulfillment of information required within IB lies fully within the gestion of respective guarantors performing the given activity. Given the high number of bodies engaged in work with IS Monit 7+, and the subsequent cohesion of IS Monit 7+ onto other IB IOP systems, the evaluator finds as a paramount problem the absence of an instrument that would help ensure the up-to-dateness of data within the given IB.

Proposed recommendations:

Based on problems outlined hereabove in the area of **IS Monit 7+ data up-to-dateness**, the evaluator's recommendation is as follows:

- To – within the WPM – firmly embed responsibility for monitoring the observance of administration deadlines and of entering data into IS Monit 7+ system;
- To – within WPM – clearly hammer out the link of respective activities to IS Monit 7+ system;
- To increase the flexibility of IS Monit 7+ system by contributing one's practical displays of one's own configurations;
- To increase the frequency of utilization of pilot versions of IS Monit 7+.

Relevant bodies:

In general, the identified problem may be viewed as cross-sectional, i.e. spreading across respective IBs - with an emphasis put on IBs displaying lower independency in terms of working with *Monit 7+* information system: Those are:

- IB IM
- IB MLSA
- IB MC



7. Annexes

Annex No. 1 – Specimen of the Questionnaire sent out to applicants/beneficiaries

Annex No. 1

**QUESTIONNAIRE EVALUATING THE PROVISION OF INFORMATION AND OF METHODOLOGY SUPPORT
PROVIDED TO APPLICANTS AND BENEFICIARIES
BY THE INTERMEDIARY BODY OF THE CENTER FOR REGIONAL DEVELOPMENT (IB CRD)/INTERIOR MINIBTRY (IB IM)
WITHIN IOP INTERVENTION AREA 3.4**

0. Type of beneficiary

Kindly indicate what type of beneficiary you are:

- an organizational component of the state, or a contributory organization set up thereby
- a region or an organization established thereby (only applies to activity 3.4a)
- an organization set up and founded by a region or municipality.

A. AVAILABILITY OF INFORMATION

1. In **what way were you acquiring** information necessary for processing/realization of the project?
Evaluate the frequency of harnessing the indicated way using a numeral on the 1-4 scale; 1 = most often, 4 = least often

	Project preparation	Project realization
Personal consultation with IB	1 2 3 4	1 2 3 4
Consultations over the phone with IB	1 2 3 4	1 2 3 4
Email correspondence with IB	1 2 3 4	1 2 3 4
<u>www.structurelni-fondy.cz/iop web sites</u>	1 2 3 4	1 2 3 4
<u>www.crr.cz web sites</u>	1 2 3 4	1 2 3 4
<u>www.IMcr.cz web sites</u>	1 2 3 4	1 2 3 4
Seminars and training sessions	1 2 3 4	1 2 3 4
Other way – <i>be more specific</i>	1 2 3 4	1 2 3 4

2. Did you find in the documents intended for applicants and beneficiaries **all necessary information** needed for project elaboration?

a) *Preparation of the project*

Cross one of the options

YES

NO

Specify what kind of information you were missing:

b) *Realization of the project*

Cross one of the options

YES

NO

Indicate what kind of information was missing

3. Did you easily find the documentation on the web sites ?

a) Preparation of the project

Cross one of the options

YES

NO

Your commentary to areas of:

b) Realization of the project

Cross one of the options

YES

NO

Your commentary to areas of:

4. Were all information bits necessary for submission/realization of the project available **on time**?

a) Preparation of the project

Cross one of the options

Indicate which information was not available on time:

b) Realization of the project

YES

NO

Indicate which information was not available on time:

5. In what way are you informed on alterations made in conditions/methodologies of IOP program (of intervention area 3.4)?

Web sites www.ccr.cz

Web sites www.IMcr.cz

Web sites www.structurelni-fondy.cz/iop

Information from Intermediary Body officials - specify mode of obtaining information.....

Other way: (to be specified):

6. Is information on the alterations in conditions/methodologies of IOP program (intervention area 3.4) provided **on time**?

Cross one of the options

YES

NO

7. In what way are you informed on a seminar/training event held on the given agenda?

www.structurelni-fondy.cz/iop web sites

www.ccr.cz web sites

www.IMcr.cz web sites

Information obtained from IB CRD/IM officials - specify mode of obtaining information.....

Other way: (to be specified):

8. Were you provided with information on training sessions/seminars held on time?

Cross one of the options: **YES** **NO**

B. PROMPTNESS OF INFORMATION PROVIDED

9. How long is - in most cases - the waiting time for a response on my query addressed to officials of the Intermediary Body?

Cross one of the options

	PREPARATION OF THE PROJECT	REALIZATION OF THE PROJECT
<i>Response typically comes</i>	<i>Immediately</i>	<i>Immediately</i>
	<i>Within a couple of hours</i>	<i>Within a couple of hours</i>
	<i>Within a couple of days</i>	<i>Within a couple of days</i>

9. Do you consider the respective lengths of time periods optimal?

a) Project preparation

Cross one of the options: **YES** **NO**

b) Project realization

Cross one of the options: **YES** **NO**

C. QUALITY OF INFORMATION PROVIDED

11. How do you evaluate methodology support of project preparation/realization?

Cross one of the options: *Very professional and useful*
Sufficient
Average
Rather unsatisfactory

12. How do you evaluate the professional skills of IB staff in providing information?

Cross one of the options: *Very professional and useful*
Sufficient
Average
Rather unsatisfactory

In case of each aspect, evaluate by choosing one of the 1-4-scale options (1 meaning BEST, 4 meaning WORST):

	PREPARATION OF PROJECT	REALIZATION OF PROJECT
<i>Matter-of-fact savvy of IB staff</i>	<i>1 2 3 4</i>	<i>1 2 3 4</i>
<i>Courtesy pending information provision</i>	<i>1 2 3 4</i>	<i>1 2 3 4</i>
<i>Lucidity of info provided</i>	<i>1 2 3 4</i>	<i>1 2 3 4</i>

