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**SOURCES OF STRUCTURAL AND REGIONAL  
POLICY OF EUROPEAN UNION AND THE Czech  
Republic FOR MUNICIPALITIES OF UHERSKE  
HRADISTE REGION DEVELOPMENT**

**(Bachelor thesis)**

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## Introducion

Czech Republic became (on 1st of May of 2004) a new member state of European Union. So long-term period of deepening of relations with European Community was covered. That period became by sectional business arrangement and step-by-step it splayed out towards narrower business and political cooperation. Evolution of closer commerce with EU in all areas became a characteristic above all for an independent Czech Republic, which made its entrance to EU one from its main external priorities: CR fully realized its aim in 2004.

The entrance of CR into EU opened the possibility for of full use of financial substances of economic policy and social cohesion, known below the title " Structural and regional policy of EU". In terms of that policy EU supports a development of stagnant regions, reclassification of industrial areas, which are in very difficult situation, economical diversification of countryside areas, where the agriculture is fading or revitalization of unkempt town areas.

Structural funds are one of the most important implements of regional policy of EU. They are instrumental of realization of aims in terms of policy of economic and social cooperation of EU.

Using of EU funds became an appeal for public, but also for private sphere, because they are an opportunity for reinforcement of intensity of regional development and reduction of differences in standard of living for particular areas.

Purpose of my work - to give detailed and connected survey about financial sources, which can be used by municipalities and regions of CR for their development and survey about the process of their drawing. The way of using of these sources is determined generally by regional policy, which tries to equalize the differences in sphere of social and economical development between single regions. Effectual using of these supports presumes a good orientation in contents, principles and codes of regional policy and ways of its using in CR and EU. Sources of structural funds have been used by Czech municipalities and regions since 2004 and also some towns and municipalities of UH have the first experience with it. One of the most important presumptions of using of these donations - existence of developing strategy on all levels, it means national, regional and local one. Generally - structural funds don't support single insulated projects, but only these projects, which come from developing strategy and make for realization of their aims.

Bearing hypothesis of the work - a conviction, that it's possible to use efficiently the support of regional and structural policy for the development of the municipality or region only in context of realization connected developing strategy, which identifies critical areas of given territory and defines procurations to their passing.

# 1 Theory of regional policy

## 1.1 Causes of erasing of regional policy

Practically in terms of each state there are prosperous areas with high level of living standard and a lot of regions with substandard economic efficiency with high unemployment and with further social problems. Other regions have acceptable economic level, but their further development is bad (e.g. badness of living environment). Because the existence of too wide differences in social-economic level between particular regions doesn't lead to the other economical development in terms of whole state and can call up sharp social and political conflicts, regional policy was formulated and practically realized in the most of countries with market economy. Its first-rate purpose- to create conditions for ablation or reduction of excessive differences in development of single parts of state, and achievement of balancing regional structure to contribute to the enhancement of competitive advantage of national economy in international criteria.

## 1.2 Definition and conception of regional policy

In spite of rise of regional policy is dated into 30-y years of past century, no unification of opinions of its contained delimitation, with relatively universal force, in its theory or practice was done. Concrete contained delimitation of regional policy is conditioned by actual social-economic situation and its corresponding state, economic, or social policy. Regional policy was (and very often is) taken by two main ways. In older conception regional policy is understood as only dedistribution of sources between areas. In the second conception regional policy is understood as a stimulation of economic development of stagnant regions: "the form of government economic policy intents on changes of placement of economic activities and changes of efficiency of regional economies" (Dictionary of Modern Economics). Also definition of regional policy in book "Regional Policy: A European Approach" comes from this conception: "Regional policy presents all public interventions leading to the improvement of geographical division of economic activities, let us say it tries to reform some area incidences of free market economy in terms of achievement of two interdependent aims: economic growth and improvement of social division of economic effects "Older, conventional conception of regional policy was exerted roughly into halves of 70-y years of last century. From second half of this decennium a new concept started to be formed (in terms of above-mentioned definition) which at the present four-square predominates in most of European countries. Diagrammatically we can represent the differences between both conceptions followelly:

Attribute	Regional policy	
	traditional	contemporary
regions	geographically relatively stable economy trouble regions	geographically relatively quickly changing problem regions
problems	development / undevelopment	structural changes
strategy	regional growth	regional innovation
implements	inter-regional redistribution	mobilization of internal sources
orientation on	capital, raw materials, big companies	information, technologies, services, small and median firms
organizational form	centralization	decentralization

GROSPÍČ, J a kol. *Úvod do regionálních věd a veřejné správy* Praha: Justis, 2001. 264 s. ISBN 80-864 12-08-3.



There is no generally established rule to determine a hierarchical level of regional policy to be formulated and realized. In principle we know three base levels:

- regional
- international
- supra-national

### **1.3 Implementation of regional policy**

Implements of regional policy are usually divided into two basic groups: implements of macroeconomics and microeconomic character. Using of macroeconomics implements for solving of regional problems is highly limited by economist aims - especially keeping of inflation on asking level, equanimity of balance of payments, or realization of aims of industrial or agricultural policy. Some macroeconomics implements:

- i. fiscal policy
- ii. monetary policy
- iii. protectionism

Ad (i) Fiscal policy is done by means of state budget when inter-regional redistribution is done. Mechanism of this redistribution consists of tax and delivery system and of structure of state budget expenses. Highly income regions contribute above-average more into state budget than regions with low incomes of population and firms. This reality is even strengthening by progressive construction of taxes and delivery. On the other side more substances flow into poorer regions especially by means of social expenditures (burro, retraining scheme etc.).

Ad (ii) Interaction of borrowing power in economy is the main part of monetary policy. Its using for solving of regional problems is very closely limited appearance to its negative influence on inflation. Regionalization of monetary policy can be pursued by means of simplification of access to credits in chosen regions, then by regionalization of volume of given credits, height of interest measurement, but also by maturity time-limits.

Ad (iii) Protectionism, state interaction of supply by means of import limits and duties, is a third group of macroeconomics implements of regional policy. Import limits and duties are orientated to the particular products, but their regional influence is sizable. It's higher, when territorial concentration of production of protected kinds of goods is higher. This reality can be used to solve regional problems by introduction of regionalism of protectionism. It means to make import limits and duty on products, which production is territorially concentrated in stagnant regions. The sense of procuration is orientation on demand of domestic production.

Main mission of micro economical implements - do not have an influence on making designs of economical subjects about their territorially localization. They can be divided into two basic groups according to their concentration on particular economical subject:

- i. implements affecting territorial movement of workers
- ii. implements applied on territorial capital movement

Micro economical implements always have a form of definite financial amounts, given functionally. If these amounts go from state budget, it's going on concretization of fiscal policy, so one of macro economical amount. But amount also can flow from regional or local budgets. Purpose of micro economical policy is renewal of balance on regional job markets by having influence to one or both sides of this relation ship - so work and capital.

## **2 Regional policy of CR**

### **2.1 Initial situation**

Formation of regional policy of Czech Republic passed (at the beginning of 90-y years of last century) by relatively complicated development. Government of Czech Republic paid main attention to the solving of transformation problems on level of whole state. These problems had mainly macro economical character. Inter-regional economical and social differences, in spite of their gradual deepening, weren't initially so large like in the most of countries of EU. In the following period, approximately since 1996, regional policy had been on the edge of interest especially thanks to proclaiming of liberalism. So regional policy was practically limited only for support of small and median firms by improvement of entrance to the credits. Since 1996 gradual activization in the area of regional policy has been done. Stimuli - reasons coming from gradual growth of inter-regional differences in social and economical development, progressive processes of democratization and decentralization of making decisions and at the same time needs to create a system of regional policy also in connection with entrance of CR into EU. In 1998 government of CR passed fundamentals of regional policy (government decree No. 235). Simultaneously government determined assignments in the legislative, institutional and programmatic area.

### **2.2 Legislative frame of regional policy**

Fundamental system, legislative and institutional frame of regional policy in CR was done in CR. Key statutes for regional policy:

- statute No. 129/2000, about regions
- statute No. 132/2000, about changes and nullification of some statutes coherent with law about regions, municipalities, town offices and capital city
- statute No. 248/2000, about support of regional development

In law about support of regional development regional policy is understood as a concept activity of state, regional and local organs, which want to help to the balanced and harmonized development of particular regions in CR, to the reduction of unsubstitiated differences between levels of development of particular regions and to the improvement of regional economical structure. Support of regional development is concentrated on development of enterprise, development of human sources, research and technological development, development of travel movement, improvement of regional infrastructure, development of civil facility, development of services of social and health care on procuration leading to the antipollution measures.

### **2.3 Programmatic security of regional policy**

In the second half of 90-y years the whole collection of programmatic documents from the central to local level was done. Fundamental document in the area of regional policy called *Strategy of regional development of Czech Republic* which was passed by government in July of 2000. This document contains especially analyze of regional development of Czech Republic in passed period, appreciation of present department procurations of ministries and approach of regions, delimitation of weak and strong sides in development of particular regions, branches and sectors, strategy of next regional development of Czech Republic,

delimitation of priorities and procurement to the support of development or delimitation of regions with assembly state support. Resulting from received Strategy - "CR wants to be (around 2010) full member, economically efficient member of EU with parameters coming to the average of EU in all basic criteria, with way and quality of life style corresponding of our historical tradition and position of Czech Republic in Europe".

Long-term intention of Czech Republic is achievement of stable growth that will make possible gradual balancing of economic level with average of EU countries. Global aim of National development plan is possible to be defined like: tenable development based on competitive advantage. This way defined global aim and strategy leading to it is concentrated on achievement of following specific aims:

- enhancement of qualifying level, competitive advantage and mobility of manpower at contemporary balancing of impacts of economy on disadvantaged groups of inhabitants
- approximation to the standards of EU in the area of living environment
- balanced development of regions

## **2.4 Selection of supported regions**

Statute No. 248/2000, about support of regional development limited regions with concentrated support. Regions belong in there:

- structurally involved regions, where negative exposures of structural change are concentrated, where is a decrement of branches and manufacturing concerns and where is a growth of unemployment
- economic weak regions, which, pursuant to indicators of economic and social development, show essentially lower level of development, then average level in CR
- provincial regions, which are characterized by low density of population, falling of number of population and higher share of employment in agriculture
- other regions, whose state support is to seek by other reasons

## **2.5 State program's of regional development**

Also particular program's concentrate on development of small and middle enterprise belong to the very important supporting programs with regional impact. Bohemian and Moravian guaranty and developing bank is charged to give concrete supports. Generally, it's possible to combine regional programs with most of full-area programs and the general effect is higher. The main element of all regional programs is increasing of employment and regional standpoint - development of structurally involved economic weak regions. Especially the program "Region" is concentrated on regional booster of enterprise. It's booster in structurally involved and economic weak regions. This program is completed with a special program "Region 2" for booster in regions of cooperation "Moravia-Silesia and North-West Area". The program "Village" is an analogy of the program "Region". It's concentrated on booster for municipalities till 3000 inhabitants. Other program - "Regeneration" - is concentrated on support of small enterprise on the territory of town and countryside reservations and zones. The program "Preference" is a program of loans for small enterprisers on the territory of structurally involved regions and the program "Operation" is a program of operation credits (loans) to support a preservation and next development of small enterprise on territory of structurally involved and economic weak regions. "Regio-guarantee" is a program of

regional guarantees for small and central enterprisers. This program has a purpose to advantage of conditions of access to bank loans again on the territory of structurally involved and economic weak regions and it's completed with the program "Regio-guarantee 2 concentrated for support for small and middle enterprisers in regions of cooperation "Moravia-Silesia and North-West Area".

"Program renewal of countryside" is a program for support of countryside. Municipalities or associations can use support of this program for reconstructions of municipal or other public buildings, keeping of greenery, reconstruction of highways, public lighting or cycle tracks. Also activities of processing of ground plans, education and consultancy in regional development and integrated projects connecting a development of infrastructure, employment market, booster of small and middle firms and ecological standpoints are supported.

## **2.6 Role of authorities and municipalities at the booster of regional development**

Government and central organs in CR pass fundamental procurations concerning on production and realization of regional policy in CR, propose ( to the Chamber of Deputies) an amount of coffers of state budget to secure a regional policy of state and pertinent legislative proposals affecting regional problems in CR.

Regions pass a program of development of own territorial district, detach coffers of their budgets intended for removing of undesirable differences inside their territories. Municipalities, in terms of their independency, help to ensure aims of regional policy especially thereby; they make conditions for economical, social and cultural development in terms of their territorial districts. Conformable with these concentration municipalities can especially:

- pass a program of development of territorial district of municipality and control its observance
- support a development of enterprise activities on their territorial district (reservation of lots for investors – enterprisers)
- associate own substances and power with neighboring municipalities and other corporate bodies to ensure common developing intentions servant to the needs of more municipalities
- cooperate with particular VUSC on creation and realization of regional developing program of region

Principles of regional policy come from the fact the role of government in development of regions can be only partial one, nevertheless strict. But regional subjects acting in particular region must have main operative role.

## **3 A Social and Economic Cohesion Policy in European Union**

### **3.1 Reasons for the existence of regional policy on the level of EU**

All countries of EU gradually came to the realization of regional policy. They are trying to reduce differences in standard of living between regions and fight with high unemployment. Except regional policy also relatively independent regional policy done directly in EU is needed. Reasons of doing independent regional policy directly in EU:

- Discrepancy between relevance of regional problems and state ability to solve them is one of very important reasons. States with the biggest regional problems usually have no own sufficient substances to make own independent regional policy.
- Next reason for the existence of common regional policy - requirement of some member states for compensation of impacts of other "non-regional" policies of EU, especially common agricultural policy (which is generally advantageous for states with very development agriculture), but also compensation of common science-technical policy of EU).
- Last but not least necessity of common regional policy also results from the reason; the government often used the regional problems as apologize for giving grants to the industry to help it fight against foreign competition.
- The tendency to make an economic and monetary union (EMU) is evidently the most important reason for the existence of common regional policy. At first the states, which want to connect to EMU, must give control of own course of national currency up. But just a possibility of devaluation or revaluation, eventually change of discount rate is one of the few assets which governments of particular states have left at disposal to ensure their economies against impacts of existence of common market (Euromarket). Downloading of global currency presents direct limitation of autonomy of macroeconomics policy of particular countries, not only in mentioned monetary sphere, but also in the area of fiscal policy (s. Maastrichtsk's criteria limiting (among others) also amount of public debt and deficit of public finances). If states are asked to leave this last tool of freedom and tool helping to reduce of their own economic embarrassment, they must be sure by real effort of EU to help the troubled areas of their own territory.

### **3.2 Development of EU regional policy**

It's possible to divide a development of EU regional policy into three main periods.

#### **1st period: 1958 - 1974**

In first period the regional policy of past EUROPEAN ECONOMIC COMMUNITY (EHS) was nearly concentrated on reinforcement of sources given to the national regional policy of particular states. Independent regional policy of EHS nearly didn't exist. Regional policy was realized by form of relatively isolated projects. Independent general directory for regional policy (today's DG REGIO, in the past DG XVI) arised as late as 1968, ten years after foundation of EHS. So this fact is an indicator of originally inferior position of that policy in terms of past Commonwealth. Support of regional policy was (in that period) concentrated on regions involved with failure of heavy industry and on undeveloped provincial regions. Social policy was provided independently of regional policy.

## **2nd period: 1975- 1988**

The entrance of GB (and Ireland and Denmark) into ES (in 1973) became a landmark of development of regional policy. Great Britain claimed a compensation of high dues into ES budget and low revenues from common agricultural policy by the form of support of restructuring of old industrial areas of GB. In 1974 ERDF fund was found (started to be functioned in 1975) when it disposed of 4,8% of ES budget. About 50% expenses on supporting program's prepared by governments of particular states were paid from the fund. In the end of period a share of ERDF fund on budget achieved 9%. In 80-y years ES started to make its own regional policy concentrated (among others) on support of over-border cooperation between regions.

## **3-th period: 1989 - 1999**

At the beginning of that period the regional policy was radically transformed. Reform consisted in integration of regional policy with social policy and with part of agricultural policy into so-called structural policy that is presently denoted as a policy of economic and social solidarity. The main impulse for reform of regional policy - a necessity to respond to the entrance Spain and Portugal into ES in 1986, because causes of stagnation of these regions in these states were different then in case of old industrial regions. So attention of regional policy was redirected from prevalent support of structurally involved regions to the support of the least development regions.

Firstly five aims of structural policy (Aim 1, Aim 2, etc.) were defined for the period from 1989 to 1993. These aims practically governed until the end of program period (1994-1999). So-called principles of structural policy of EU and especially the system of programming were made in that period. In second half of that period principle of appreciation and monitoring was reinforced.

In 1993, let us say 1994, Cohesive fund was found. Substances given from CF should make possible to the faintest states of EU to realize hard Maastricht's criteria for introduction of common currency. CF isn't part of structural funds (SF), but its activities have direct connection on SF. Criteria for support of CF is less than 90% of average GNP (no GDP) of EU on one inhabitant.

The new Aim 6 was done at entrance of Finland and Sweden into EU in 1995 (together with Austria). Aim of support to the (Arctic) sparsely populated areas.

Summary - the regional policy of EU started to be function as a supplement of national regional policies, presently it expressively dominates about them. Expressive changes of regional policy of EU were usually made in connection with expansion of Union. It will be similar in case of expansion Union into Middle and Easter Europe because reforms noted in Agenda 2000 consider (among others) just problems of expansion of EU by states of Middle and Easter Europe.

## **3.3 Aims of regional policy and kinds of supports in terms of regional policy of EU**

General aims of regional policy result from reasons which lead EU to do own active regional policy and are defined in article No. 130a of Foundation contract of EU:

- Commonwealth evolves and monitors its own activities leading to the strengthening of its economic and social cohesion to support its own total harmonious development.
- Commonwealth makes an effort especially in the area of reduction of differences between levels of development of different regions and reduction of undevelopment of regions that are in the least profitable situation including provincial regions.

These general aims are achieved by support of projects in terms of third so-called prior politics of economic and social cohesion in troubled regions of EU:

1. infrastructure and living environment
2. development of human sources
3. support of enterprise

Each prior pivot has (at the making of program documents) generally assigned several closely limited priorities and each priority has several so-called provisions, which respondent with the level of project.

Hold generally, that booster from the sources of EU is able to get only for these projects and program's, which contribute to the improvement in spheres covered by mentioned prior pivots. Although these pivots are drawn relatively widely and seemingly cover almost all needs of stagnant regions, it isn't possible (for example) to get grant for housing. Authorities of EU made a list of activities qualified for support from structural funds. But also this list is possible to be understood as an orientation one and warrant and sequence of concrete program or project is always important. So it's possible (in special situation) to finance a part of expenses of housing. It would be possible, for example, in case the housing project be localized in place of ex-industry zone, which was revitalized in terms of supporting programs of structural funds. In this case it would be possibility to finance a part of expenses on infrastructure networks.

### 3.4 Principles of EU regional policy

Function of regional policy of EU modifies several basic principles:

- 1) **Principle of programming** - it means, that support concentrated on increase of social and economical quality of the least developed regions in realized on base of elaborated program documents (it means program's cover all three prior pivots of policy of cohesion). These program documents are elaborated on long-term (six or seven-years) program period. So support for stagnant regions is given for medium not short period. The main program documents - regional developing plan (and frame of support of Commonwealth coming from it) and sectional and regional operational program's (more in chapter No. 4.6.)
- 2) **Principle of partnership** - it's necessary (on base of this principle) to ensure and demonstrate to the authorities of EU, that the supporting program's proposed in program documents aren't only ideas of governments of particular states, but also economical and social partners, local and regional subjects, representatives of universities and non-governmental nonprofit sector, authorities of wardshipof living environment etc .have a share in preparation, realization and appreciation of program's. It's also a reason for asking for so-called consulting process, when prepared suggestions of supporting program's are widely consulted in terms of particular states with all relevant subjects and (if it's possible) with public.
- 3) **Principle of concentration** - according to this principle the substances should be concentrated into regions with the most problems (it means regions of Aim 1) and they should bring the biggest effect. Effort - support of integrated programs, no single, mutually unattended or small projects. So (from this principle) Czech towns and municipalities need cooperation in the area of technical preparation of acceptable projects at reservation of their together-financing.
- 4) **Principle of complementation** - substances from EU are given on spheres, which are prior for particular state and EU also. They must be completed by given share of sources

from the side of support recipient - so from state, region, municipality or enterprise subject. Important part of this principle is so-called test of addicionality. This test should explore, if member state requesting about booster from EU in terms of policy cohesion didn't reduce (expecting support from EU sources) own expenses on realization of program's in terms of this policy. Exception, it means falling of current level of expenditures on state support, is possible only in case of important change of economic situation of requested state (economic crisis). So substances from EU mustn't supply, but only complete, let us say strengthen international sources the programs could be realized faster or in major extent then it be possible only with using of international sources.

- 5) **Principle of appreciation and monitoring** - purpose of this principle: to ensure an efficient utilization of substances from the sources of EU. Monitoring and appreciation is delivered by monitoring system, whose top level is presented by national monitoring committee. Department of organs ensuring realization from payment organs is an important condition for ensuring of transparence and effectiveness of expended substances. Besides independent checking system must exist. Appreciation of programs is three-phase - action. An appreciation ex-ante, interim, ex-post must exist. Purpose of three-phase appreciation - detailed appreciation of impacts of each program and project before its passing (ex-ante), in the middle of programmatic period (interim) and appreciation of real effects after finishing of program or project (ex post).

Institutionally the regional policy of EU is provided by General direction for regional policy and cohesiveness (DG XVI).

### 3.5 Appreciation of regional problems

There are marked differences (according to production of GDP on one inhabitant and on one worker and according to rate of unemployment and by other indicators) between regions of EU. Development trends of regional differences aren't so definitive, sometimes (generally in the period of economic prosperity) the differences between regions go down, sometimes go up (period of recession).

Presently the troubled regions are limited pursuant to statistical criteria of Union, let us say threshold, appointed for registration of particular regions under prior Aims of regional policy (see below). But it's necessary to stress there are three of different maps for troubled areas of each country of EU):

- 1) troubled regions, chosen for needs of regional policy of EU (they are chosen by DG for regional policy in cooperation with member states)
- 2) troubled regions, chosen for needs of policy of economic competition of EU (chosen by DG for economic competition); the aim - to ensure integrated access to the provision of support to the private sector from public substances ,including support in frame of regional policy
- 3) troubled regions, chosen for needs of regional policy of particular member states (each state provides it by itself)

While first two selections of troubled regions from the position of EU (each for different purpose) are relatively closed, third selection can be radically different. At the same time the wide of territory, considered (by some member state) as a troubled one, can be, theoretically, greater than according to the criteria of EU in most of states wide of territory supported by own regional policy of particular state is smaller. It's going about states, which are (from standpoint of EU) whole considered as a troubled one, but their own regional policy is concentrated on part of their territory (e.g. Ireland). It's also going about states, which don't support (in frame of their



own regional policy) farming areas, but some farming areas obtain grants from EU regional policy (e.g. Italy). Very marked difference between spread of territory supported by own regional policy and territory supported from the sources of EU is typical also for GB.

So at the present it's not a rule the areas, which are supported in frame of regional policy of particular states, automatically obtain support also from structural funds of European Union. Conversely, regions supported from EU, must be supported also from substances of particular state (not only state ones, but also regional or local ones) also in case they aren't considered like troubled ones by their state.

### **3.6 Goals of EU regional policy during 2000 - 2006**

Regional policy (policy of economic and social cohesion) is financed from structural funds of EU and from Cohesive fund, which isn't a part of structural funds. So drawing of substances from Cohesive fund proceeds with other purposes and according to other rules, than in case of structural funds. Structural funds are made by:

- European Regional Development Fund (ERDF)
- European Social Fund (ESF)
- Supporting Section of European Agricultural Guidance and Guarantee Fund (EAGGF)
- Financial Instrument for Fisheries Guidance (FIFG).

The goals of EU structural policy are defined for the programming period 2000-2006:

- 1) Support of development and structural changes in stagnant regions (regions of NUTS II, whose average GDP in parity of buying power for 1994-6 didn't achieve 75% of average of EU, about limitation of these regions will be decided by Commission of the European Community). The program of temporary limited help (so-called "smooth landing") was made for regions, which aren't allowed to get support from Aim 1. Besides two special programs will be financed in terms of Aim 1, one for Ulster, second for Norman regions of Sweden.
- 2) Support of economic and social conversion of structurally involved areas. It's going about four types of regions, whereas each type is chosen by specific criteria: a) industrial regions, regions chosen by high rate of unemployment, high, but decreasing share of economically activities in secondary b) agricultural regions, they must satisfy at least two from four criteria: density of population less than 100 persons/km<sup>2</sup>, share EA in agriculture exceed double of EU average, above-average rate of unemployment, depopulation, c) town regions, must satisfy at least one of the following criteria: measure of long-term unemployment superior to average of EU, high level of poverty, including bad housing conditions, especially acute problems of living environment, high level of criminality or low measure of education, d) region depend on fishery. Except these four types of regions there are also regions, which can get a statute of Aim 2: regions adjoin with regions of Aim 1 (important argument for perspective enlistment of Prague into Aim 2) or agricultural regions with senescent population or with decreasing share of EA in agriculture, areas with acute need of reclassification of basic branch of region. Development of human sources (support of changes and modernization of policies and systems in the area of education, staff retraining and employment rate). It's a horizontal aim, so support can be obtained by all regions, except of regions of Aim 1. This aim is interlaced with European strategy of employment rate.

## 4 The conception of Structural funds and other measures

### 4.1 Structural Funds

At present, four Structural Funds allow the European Union to grant financial assistance to resolve structural economic and social problems:

- the European Regional Development Funds (ERDF), whose principal objective is to promote economic and social cohesion within the European Union through the reduction of imbalances between regions or social groups
- the European Social Fund (ESF), the main financial instrument allowing the Union to realize the strategic objectives of its employment policy
- the European Agricultural Guidance and Guarantee Fund (EAGGF - Guidance Section), which contributes to the structural reform of the agriculture sector and to the development of rural areas
- the Financial Instrument for Fisheries Guidance (FIFG), the specific Fund for the structural reform of the fisheries sector

**Particular member states have a responsibility to create own (national) programming, organizational and technical presumptions, including controlling mechanisms, for drawing structural funds.**

Structural funds of EU became the most important instrument of regional and structural policy of EU. They are instrumental of achievement of higher aims of regional and structural policy by following funds.

**ERDF** (European Regional Development Fund) is a main source contributing to the achievement of development and support of structural adaptation of regions with stagnant development and structural problems domains from economic and social changes. It's a fund for financing of Aim1 and Aim2, it means for stagnant regions. It's determined for financing of investment into infrastructure, support to small and modeled firms and other initiatives, which go to the Rosiny of new working places.

It has finances in amount about 64% of all volume of structural funds. Support, together-financing from substance of ERDF, is concentrated on:

- investment on production determined for creating of new working places
- investment on infrastructure with different possibilities depending on Aim including
- trans-european network for regions from Aim1
- investment on education for regions from Aim1
- development of local potentials; local development and development of small and modeled enterprise in troubled regions
- research and development
- investment on protection of living environment

**ESF** (European Social Fund) is a financial instrument for influence of policy of employment rate. Substances for development of human sources, financing of retraining, development of employment and initiatives of education are drawn from funds.

The substances from ESF are possible to be drawn in frame of all three Aims, so it means Prague can prepare projects and draw from this source. Fund has substance in amount of 23% of total value of structural funds.

Together-financing from ESF:

- integration of unemployed, especially people involved by long-term unemployment
- integration of young people into working process
- integration of people separated from work market
- support of equal opportunities on work market
- adaptation of workers on changes
- stabilization and increasing of employment
- reinforcement of human potential in research, science and technology
- reinforcement of system of education and next qualification

**EAGGF** (European Agricultural Guidance and Guarantee Fund) is determined for support of agriculture and countryside areas and its guarantee section has a responsibility of price support of agricultural products. It's determined for Aim1. It has substance in amount of 11% of total value of structural funds. EAGGF is determined for support of changes of agrarian structures and development of countryside areas.

Substances are determined for together-financing of Aim1, or Aim2. Fund is also for financing of Common Agricultural Policy (CAP) and is dividend into two parts:

- a) **guarantee section**, which finances expenses on organization of agriculture market, and other instruments of support of countryside, agriculture (area south of Aim1) or some veterinary expense and expense on informative policy of CAP:
- b) **supporting section**, which finances:
  - support of farming in highland or less conditioned areas
  - support to young farmers, which want to star
  - support of passing of associations of production
  - conversion, diversification, reorientation and support of a duality of agricultural production
  - development of countryside infrastructure
  - support of investment on traffic
  - other procurations – prevention of natural catastrophe, renewal of countryside (culture) inheritance, development and utilization of woods, protection of environment and financial management

**FIFG** (Financial Instrument for Fishing Guidance) was found in 1993, it's concentrated on support of fishing branch. Fund should support a reclassification of European fishing. It has substances in amount of 2% of total value of structural funds. Substances from this fund can be used for support of Aim1 and Aim2. It's not too important for Czech Republic.

Substances of FIFG together-finances:

- changes in fishing sector
- shipping modernization
- fish husbandry development
- protection of some seaside areas
- equipment of seaside ports

- production and trade with fish products
- support of production

## 4.2 Community initiatives

Four Community initiatives are aimed at finding solutions to problems common to a number of or all member's states and regions:

- Interreg - supra-national, over-border and inter-regional cooperation concentrated on support of harmonic development and support of territorial planning in Europe (initiative financed from ERDF fund)
- Urban - economic and social conversion of towns and town regions depressed of crisis with purpose to support a permanent sustainable development of towns (initiative financed from ERDF fund)
- Leader+ - support of local initiatives intent on development of countryside (financed from EAGGF fund- supporting branches)
- Equal - international cooperation in support of struggle with all forms of discrimination and inequality on employment market, especially against discrimination of women (initiative financed from ESF fund)

Participation of economic subjects in program supported from structural fund (SF) is condition with respecting and keeping of horizontal politics of EU:

- provision of sustainable development
- keeping of conditions of antipollution measures
- support of development of equal occasions between men and women
- support of informative society

## 4.3 The Cohesion Fund

The Cohesion Fund is a structural instrument that helps Member States to reduce economic and social disparities and to stabilize their economies since 1994. The Cohesion Fund finances up to 85 % of eligible expenditure of major projects involving the environment and transport infrastructure. This strengthens cohesion and solidarity within the EU. Eligible are the least prosperous member states of the Union whose gross national product (GNP) per capita is below 90% of the EU-average (since 1/5/2004 Greece, Portugal, Spain, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia). For the Cohesion Funds EUR 15.9 billion (in 2004 prices) are available for the years 2004-2006. More than half of the funding (EUR 8.49 billion) is reserved for the new Member States. A Member States is eligible for Cohesion Funds, which:

- has a per capita gross national product (GNP), measured in purchasing power parities, of less than 90 % of the Community average
- has a program leading to the fulfillment of the conditions of economic
- convergence as set out in Article 104c of the Treaty establishing the European Community (avoidance of excessive government deficits)

Four Member States: Spain, Greece, Portugal and Ireland were eligible under the Cohesion Fund from 1 January 2000. Cohesion Fund support is conditional. The funding granted to a

Member State is liable to be suspended if the country fails to comply with its convergence program for economic and monetary union (stability and growth pact) running i.e. an excessive public deficit (more than 3% of GDP for Spain, Portugal and Greece, this threshold is being negotiated separately for each of the ten new Member States according to their own public deficit at the moment of the accession). Until the deficit has been brought back under control, no new projects might be approved. Projects to be eligible must belong to one of the two categories:

- Environment projects helping to achieve the objectives of the EC treaty and in particular projects in line with the priorities conferred on Community Environmental policy by the relevant Environment and Sustainable Development action plans
- The Fund gives priority to drinking-water supply, treatment of wastewater and disposal of solid waste. Reforestation, erosion control and nature conservation measures are also eligible
- Transport infrastructure projects establishing or developing transport infrastructure as identified in the Trans-European Transport Network (TEN) guidelines

There has to be an appropriate funding balance between transport infrastructure projects and environment projects.

**Allocation of Structural Operations for the Czech Republic in 2004 – 2006  
By Support Areas (in million €, current prices)**

	2004 - 2006
<b>Cohesion Fund</b>	<b>945,3</b>
<b>Structural Funds</b>	<b>1 584,4</b>
Objective 1	1 454,3
Objective 2	71,3
Objective 3	58,8
<b>Community Initiatives</b>	<b>100,8</b>
Interreg	68,7
Equal	32,1
<b>Total Structural operations</b>	<b>2 630,5</b>

Source: European Commission, 2005

## 5 Prerequisites for exploitation of structural funds

### 5.1 National level

If a member state of EU wants to draw grants from EU funds, it must elaborate perennial developing programs. It's not possible to draw from structural funds for financing of single actions; these funds are for support of developing programs, which have their own budget structured according to priorities and single procurations.

Structure of these program's covers analyze of territory including determination of weak and strong sides and determination of strategy of territorial development.

So detailed elaboration, of single procurations including limitation of financing framework (EU substances, national substances-state, regional, local and others and also substances of private sector), discharge of principle complementary and definition of conditions of program realization, continues on this strategy.

Representatives of Czech government had to elaborate so-called National Development Plan to be allowed to draw substances from structural funds. This Plan takes a special place between program documents, because it represents a basic strategic document for floatation from structural funds and EU Solidarity Fund. Generally said, the member states of EU prepare developing plan always for one or more regions of NUTS II, which satisfy criteria of enlistment into Aim 1 of policy of economic and social solidarity of EU. According to using indicator (gross domestic product in parity of buying power) all regions of level NUTS II in Czech (so-called regions of solidarity) - except Prague, which highly overrides this average-reach less than 75 % of average of GDP of EU. On the base of recommendation of General Direction of European commission for regional policy (DG Regio) was decided about processing of connected program document for whole state, so we talk about National Development Plan of Czech Republic. So NDP is ready for current program period 2004 - 2006.

National Development Plan presents detailed warrant of needs of support and defines aims to be achieved. Presentation of coherent and general strategy, which gives reasons for selection of priorities, whose support from the sources of European Commission is aspired by Czech Republic, is a role of NDP. Detailed purposes and conditions of drawing a support on their achievement in particular areas are then specified in operation programs (sectionally or regionally specialized) and their program grants. For summary proceedings program period 2004 - 2006 NDP contains a description of current situation in Czech, defines a strategy, determines a specialization of operating program's, determines a system for management and monitoring, determines a financial frame of NDP and division of substances between particular operating programs.

Sufficiency of prepared projects of high-quality and safety of substances on together-financing is an expectation for utilization of these substances. In case of projects on utilization of structural funds it's possible to obtain about 75 % of general expenses from EU, in case of projects on utilize of Fund of Solidarity even about 85 %.

Global aim of National Development Plan can be defined as a sustainable development based on competitive advantage. Thereby defined global aim and strategies leading to it will be concentrated on achievement of following **strategic aims**:

- creation of conditions for growth of economy by strengthening of inner factors
- increasing of qualifying level, competitive advantage and mobility of manpower
- approximation to the standards of EU in the area of living environment
- balanced development of regions

Basic areas of development, whose realization the specific aims will be achieved. These areas are defined as so-called **prior pivots**. **National Development Plan defines total six prior pivots:**

1. reinforcement of competitive advantage of industry and business services
2. development of traffic infrastructure
3. development of human sources
4. prevention and improvement of the quality of living environment
5. development of countryside and multi-function agriculture
6. development of travel movement

Delimitation of content of operating program's goes from prior pivots of NDP, from recommendation of European Commission to the NDP and from ES regulations about structural funds and Cohesive Fund. So the structure the "**Community Support Framework**" was made on base of NDP, it means number of operating program's and financial allocations on particular operating programs.

Community Support Framework has a character of contract between government of Czech Republic and European Commission and has a parallel position with national development plan. It's a fundamental, covering, program document for supply a booster to Cr from structural funds of EU. It was made by EC and CR (recipient of booster) pursuant to presented development plan. This contract specifies engagement of both sides to give substances on achievement of aims mentioned in document. The final version of NDP is a groundwork for discuss about Community Support Framework. On the base of CSF CR will have a possibility to draw about 1454 billion euro (in first three years of membership in EU), it responds to the allocation of sources for realization of Aim 1 of EU regional and structural policy for short-term period 2004-2006. CSF determines strategy, priorities and purposes, which can be paid from together-financing of Community. Process of creation of strategic and partial documents including their passing is called "programming procedures".

## 5.2 Regional level

Global and specific aims of National Development Plan will be achieved by realization of five operating programs:

1. **OP Industry and enterprise** – the priorities of this program: development and raising of prosperity of small and middle firms, raising of competitive advantage, enhancement of productivity of labor, finishing of reclassification of industrial zones and others
2. **Content of OP Infrastructure** - modernization and development of nation-wide important infrastructure, reduction of negative impacts of transport on living environment, improvement of quality and protection of living environment, support of creation of protective procurations ahead of floods, recultivation and sanitation of old ecological ballasts, support of waste recycling.
3. **OP Development of human sources** – an active policy of employment rate, development of lifelong education, social integration and equality of occasions.
4. **OP Development of countryside and agriculture** – it should ensure available capital for areas of countryside and agriculture, improvement of marketing and agricultural production and improvement of technological equipment.

5. **Priorities of SROP** – development of local entrepreneurial activities, regional development of transport and communication technologies, local development of human sources, environment improvement in municipalities and regions, revival of provincial areas and development of travel movement and bathing.

### **5.3 Local level**

The basic prerequisite for successful drawing money from Structural funds is effective implementation of operational program's on regional and local level. So the capacity of local and regional authorities in the program planning and realization is crucial.



## 6 Developing strategy of Uherské Hradiště and sources for its implementation

### 6.1 Strategy of planning

Regional development we can simply understand as an effort of well-balanced development of territory, when all principles of policy of economical and social cohesion are respected. It's not a naive utopia about hour "H", when all territory achieves the same economical and social level. But each territory should have a level, which corresponds with local needs and conditions.

Solving of conflicts between local conditions and justified claims of inhabitants is a basic principle of efforts to influence the regional development. The strategic planning is a basic implement of this process. The purpose is to determine what to do to realize needed changes. It's necessary to concentrate on the areas with the most of differences. Expecting result - proposal of procurations, which will improve the conditions of living standard of inhabitants by realization this proposal. After some time it's necessary to analyze the results and make (on base of results) needed changes or suggest a new system o procurations.

#### Methodology and process of strategic planning

Strategic planning of territorial development started to be used in first half of 70-y years in USA. Integral procedure wasn't reached; different authors take different views on particular parts of this process.

Whole process can be divided into four phases (see picture). Analytical part consists of **collecting materials**, it means elaborated studies, territorial plans and other works about solving territory, gathering basis, **description of territory** pursuant to known and collected data about its condition and their analyses and processing SWOT **analyze**. SWOT analyze-it's a determination of (S) and weak (W) sides of solving territory, opportunities (O) and threats (T) influenced a solving territory. Generally said:

- a) Weak and strong sides are inner factors, it means, it's a reality, which can be influenced by acting of local actors (self-administration, entrepreneurs, associations etc.)
- b) opportunities and threats are outer factors, it means a reality, which is possible to be influenced directly by activities of local actors

The main sense of SWOT analyzes - to sort findings according to their importance for development of particular territory. The main purpose - to find the areas with the biggest problems, which elimination will be mostly effective without spending too many finances. Strategic part consists of objective setting, determination of strategies to their achievement and proposals how to realize these strategies. Objective setting (main one) is a determination of objectives achieved in the end. Determination of strategies shows intermediate objectives, which must be achieving the main objectives, will be realized. These intermediate objectives are set in the areas, which have no conditions for development or local conditions aren't utilized enough. Proposal of procuration consists of system of implements, which make conditions for achievement of intermediate purposes and main purposes too. Realization part presents practical realization of own plan. So persons and authorities responsible for whole realization and basic organizational procedures must be specified for its successful realization. It is a realization of particular projects, realization of action plans, etc. Monitoring and reviewing part is a backward reaction of whole process. This phase starts to be realized during strategic part, when expecting changes of whole territory are determined (so-called ex-

ante appreciation, which determines expectable profits from strategic plan before starting of project realization). All procedures and changing are monitoring during realization. There is a final appreciation of achieved purposes (ex-post appreciation) in the end of planning period. These findings are groundwork for edition of strategic plan for the next period. All democratic requirements (all citizens have a chance to be active in public administration) must be respected. It's done by two ways: 1) not only deputies of special consultants, but also so-called Local experts (representatives of enterprisers, different institutions play an active role in solving of territorial problems and other representatives of public groups) 2) public parley of particular periods of making documents and contribution reminders and public proposals.

## **6.2 Development Program of Uherské Hradiště town**

Program of UH development from 2004 is an example of local developing strategy, which comes from methodology of strategic planning. Development program presents (above all) a realization document, which helps to define and realize town developing projects. The main attributes of this Program are shown in following points:

- identification of town problems especially from inhabitant standpoints; citizens can cooperate from its beginning
- determination of priorities of development of particular areas of town life, including of concrete time and economic requirements on their realization
- determination of main aim of development and preparation of realization of these aims by form of developing program's
- equalization of technical, economic and social disproportion between particular life areas
- important document, which make possible effective town connection into wide planning procedures and structures (town and regional planning, EU structural funds etc.)

### **The main program aims:**

This program wants to ensure long-term, balanced and coordinated town development in all his areas. This general aim connects three basic time levels:

- a) **long-term level**, where the program determines priorities of town development and formulates strategic planning aims, overlapping particular electoral terms (horizon- six and more years)
- b) **medium term level**, where the program makes possible an assessment of departures and co-ordination of different planning documents - complex and specialized ones (ground plan, regulation plans, generals, partial developing program's, marketing strategies, prospectuses of political parties etc ..) with time horizon 3-6 years
- c) **short-term level**, when the Program creates a qualified base for making decisions at realization of developing program's , at town budget setting, at formulation short-term developing policies, etc.(time horizon 1-3 years)

### **Content of town development program**

Developing document of UH is consisted of following parts:

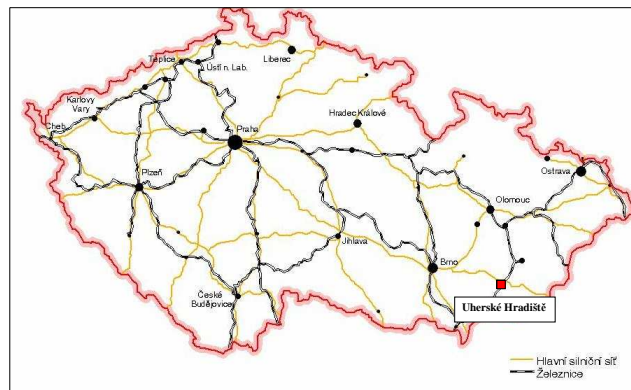
#### **Town profile**

It's contained of description of status quo of solving troubled areas. It analyzes a present town development and describes situation and town development trends in particular troubled areas, for example:

### ***Introductory characterization:***

Characteristic industrial - agricultural region is located in fertile Dolnomoravský úval (ravine). Neighbors: N-Zlín, W, NW-Kroměříž, S-Hodonín, E-Uherský Brod. Thanks to above-average favorable climatic and soil conditions agriculture has still relatively important position. Industry is concentrated especially into town agglomeration Staré Město - Uherské Hradiště - Kunovice and several other important working centers of region (Hluk, Uherský Ostroh, Buchlovice).

Administrative urban area, divided into six cadastral territories, takes an area of 21,3 km<sup>2</sup> with more than 27000 inhabitants ( 27 053 according to counting in 2001). Town attractively for housing, business, opportunities, cultural, sports and clubby life increases population wide of whole town region with almost 40000 inhabitants, which is also important traffic junction on nationally and internationally important paths.



Source: Development program of UH town, UH town office

### ***Town traffic accessibility***

Important roads and railway's paths and corridor's go through Uherské Hradiště. Town is situated on the road junction of I. class:

- I/55 connecting Olomouc - Přerov - Otrokovice - Uherské Hradiště - Hodonín and Břeclav, where it's connecting on motorway D2 Bratislava - Brno
- I/50, that is a continuance of D1 motorway from Prague and Brno over Uherské Hradiště and Uherský Brod to Trenčín, where is connected on Slovak motorway Bratislava - Žilina. Motor highway is registered into network of European roads with international traffic of E category.

UH agglomeration is also crossed by international railway lines:

- No. 330 Přerov - Otrokovice - St.M. /Uh. Hradiště - Hodonín - Břeclav. This track belongs so-called II. railway's of corridors of Czech railways, which makes possible rides of high-speed trans
- No. 340 Brno – Veselí nad Moravou – Kunovice – Uherský Brod – Brumov – Bylnice, to Slovakia (Trenčanská Teplá).

There is a public international airport in Kunovice - main airport of Zlín region closely to the town. Two kilometer long runway, radio-navigate system and next infrastructure and equipment make operations of all types of airliners.

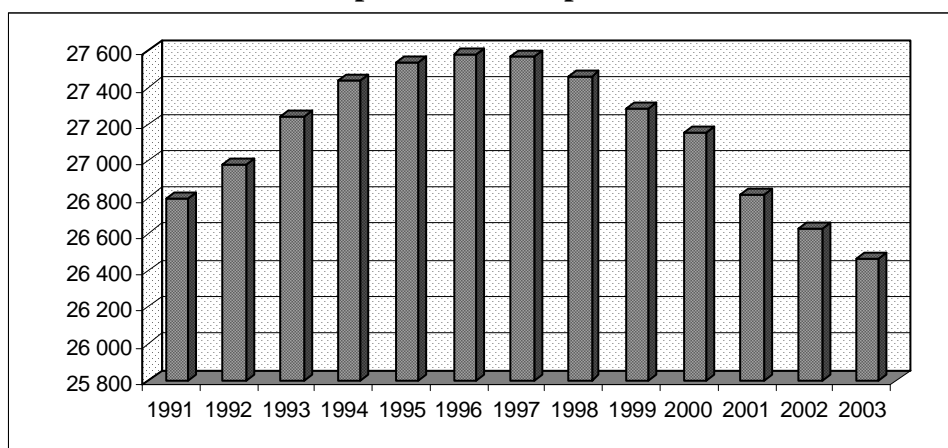
### ***Territorial development***

A fundamental instrument of space town development is Ground plan, which was passed in 2002 for all triple-town SM-UH-Kunovice. This document presents other activities of development, above all in borders of today's town residential area. Especially reinforcement of functional utilization of territory and connection of single town parts, sharpening of position of historical business district as a natural multi-functional centre of town and improvement of life standard and living environment of housing estates. The main determiner of urban town development or all triple-town area presents traffic solving, especially close battle areas of roads I/50 and I/55. Detailed documentation must be worked for wide developing areas assessment by ground plan-so-called regulation plans, which determines rules for settlement of build-up area and suggest a way of traffic and technical service. Regulation plans are mostly needed for areas of family houses in Clinic II. area and Vychod housing estate.

### ***Inhabitants***

There are about 27 053 inhabitants in Uherské Hradiště (according to last census in 2001). Population size and importance of Uherské Hradiště is exponentiated by its central location in almost 40 000 triple-town stare Město - Uherské Hradiště - Kunovice. This agglomeration presents (in terms of Zlín region) second-largest concentration of population. Uherské Hradiště has distance of 2 127 ha (21,27 km<sup>2</sup>) and consists of seven town parts (Uherské Hradiště, Jarošov, Mařatice, Míkovice, Vésky, Sady, Rybárny).

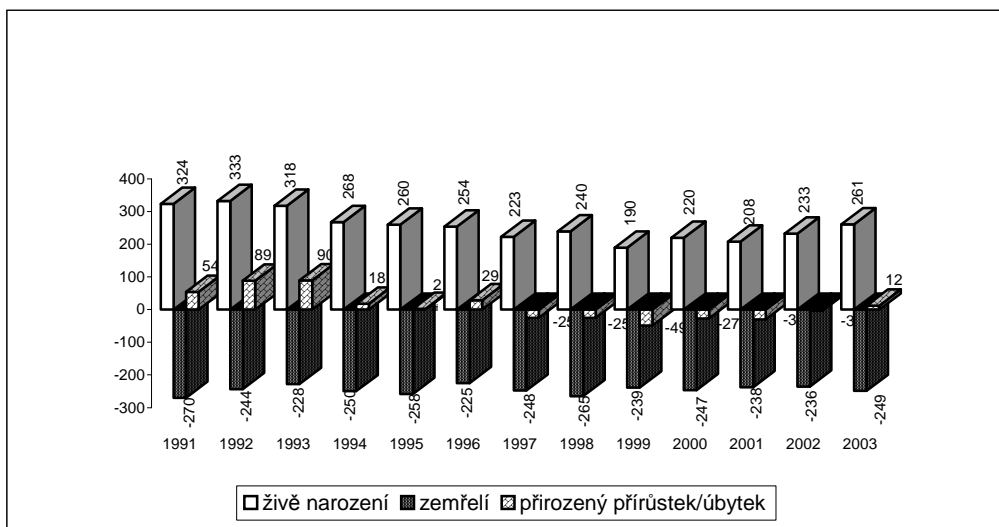
### **Population development**



*Source: Czech statistical office*

After 1989 intense break occurred in demographic behavior of Czech population. That break expressed above all expressive falling of weddings and birth-rate. These trends approved throughout all territory of CR, including UH. We can see on graph the expressive falling of number of natal children, especially in second half of ninetieth years. The year 1996-last year, when the number of natal children was higher then a number of died people. Since 1997 already numbers of dead people yearly overtop numbers of natal people, result- a natural depopulation. And volume of migration has started to decline since 90-th years. Volume of transmigration over cities in period 1991- 2000 retrenched from 55,1 person/1000 inhabitants on 34,3 per mille, it means about 37,7 %. This decrease of volume of migration was in Uherské Hradiště much marked than in nation-wide criteria, because in terms of CR the volume of migration was in the same time reduced about 16,8 %.

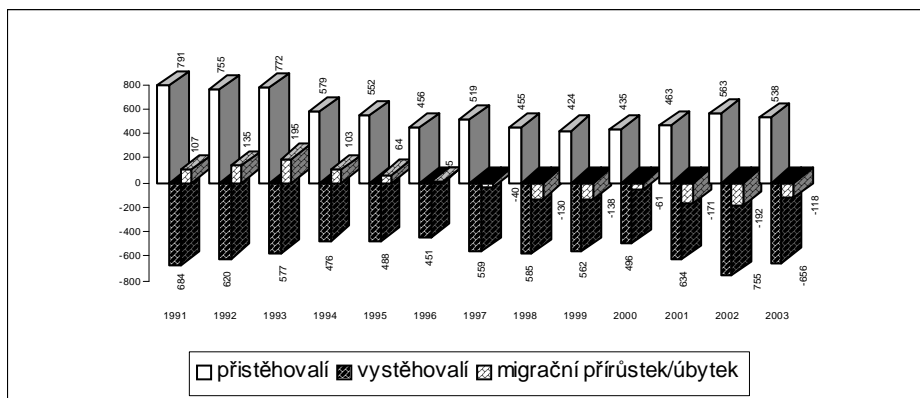
### Live births and deaths, natural increase 1991 - 2003



Source: Czech statistical office

Numbers of immigrations decreased in period 1991 - 2000 about 45 %, while volume of emigrants in the same period was reduced only about 27 %. Result- irregularly, but gradual escalation of migrant losses of population (passive balance of migration). Since 1997 general depopulation happened, firstly after decennium, which is invocated by both factors at the same time, it means by natural decrease (numbers con motto nasal is inferior to number gamy) and negative migrant balance (number of emigrants surpass number of immigrations). These negative trends of population development go on also in first two years of new century, when especially raising of migration losses begins to be warning.

### In-migrants, out-migrants, migration increase 1991 - 2003



Source: Czech statistical office

In structure of inhabitant according to education groups with incomplete secondary education (skilled and without leaving examination) and with entire secondary education (it is with leaving examination, or with higher special school). Each of these groups makes roughly one third of inhabitants older 15. Structure of inhabitants according to education is radically changing. University education has more than 13 % of citizens.

### Educational Structure of inhabitants 1.3.2001 (in %)

Territory	basic	secondary	full secondary	university
		skilled		
Town UH	19,6	33,4	32,1	13,2
Region UH	26,4	39,9	25,5	7,6
Zlín region	24,8	39,0	27,0	7,7
Czech Republic	23	37,9	28,4	8,9

*Source: SLBD 2001*

Census in 2001 delimited set of economically active inhabitants like sum "working" and "unemployed". In the year 2001 there was (according to census in Uherské Hradiště) summary 14 119 economically active inhabitants, 13 130 working, 989 unemployed. Measure of economic activities of inhabitants, counting like a share of economically active men from of the total volume of population, markedly overrides an average of Zlín region and Czech Republic. especially men were defined with high economic activities in Uherské Hradiště (54,2 %, CR 52,6 %).

Branch specialization of UH makes that a share of working people traveling for job from UH is under average (in compare with region, Zlín region and CR). But UH region belongs to the areas the workers travel for job in the highest measure.

#### ***Economy***

All agglomeration of UH including Stare Město and Kunovice presents important industrial southeasterly Moravia and Zlín region. Further responsible concentration of job in near surroundings (c. into 10 kilometers per hour) presents: Uherský Ostroh, Hluk, Buchlovice. Balance of working traveling of region is active (Zlín region or areas of CR). Machine and electrotechnics (e.g. MESIT holding Inc. with its daughter societies DICOM, Fimes, Mesit apparatus, Mesit overland flow-bottoms up and next, further AVX Czech Republic, Ltd., FORSCHNER, Ltd., AERIAL COMPETITION, AUTOPAL, Ltd.) predominate in the structure of industry branches.

Broad revolting foul territory of local companies during economic transformation in first half of ninetieth years had a share on rising of series of middle and small firms, which are first-rate quality, often original production, or various special services (e.g. Evektor-Aerotechnik, RAMET C.H.M., THERMACUT, KOVOVYROBA HOFFMANN Ltd and BD SENSORS Ltd.). Result of this process - balanced, diversify trimming and size structure of employer and employment market of UH region is so capable to respond to pertinent problems of some companies.

UH is also (thanks to good conditions for agriculture) well-known centre of food-processing industry, which make own products. Dominant subject in this sector is a fruit, vegetable and meat compiler, HAMÉ, which subsequently took a control of all smaller competitors in region.

There are also textile companies (Slezan, Frýdek Místek, OP Prostějov, Cooperative of artistic productions - SLOVAC) and companies with chemical specialization (Colorlak, HOBAS SZ). Also building industries is important (SKANSKA DSUH). Our town is attractive also for foreigner investors, so there are a lot of firms with foreign capital:

Firm	Origin of capital	Size	Specialization
AVX CR, Ltd.	USA	1 125	electronics
AUTOPAL, Ltd.	USA	403	environment engineering for cars
Forschner, Ltd.	Germany	527	cable assemblies for cars
Algeco	Germany	44	portable housing bathhouse and hoods
HOBAS	Austria	66	plastic sewage conduit
Thermacut, Ltd.	USA	203	welding technology

Source: own one

Meaningful position in branch textures of economy is a position of civil engineering. The biggest companies, which have their activities not only in our region, but also in all CR: SKANSKA DSUH, Ingstav, PaPP, STAMOS, TRADIX, MTS. There are also a lot of small firms working in region.

### **Education**

Education in Uherské Hradiště covers needs of town and wide surroundings on of all levels of education from kinder garden till chosen forms of universities.

Net of pre-school arrangement in Uherské Hradiště covers summary 11 arrangements - kinder gardens for children ages 3 till 6 years. From this number nine schools operated in terms of frames of one contributory organization - MS Svatováclavská 943, which was found by UH town. Further two kindergartens belong to primary schools - contributory organization of town Uherské Hradiště: MS Lomena belongs to ZS Větrná 1063 and MS Jarošov belong ZS Jarošov, Pivovarská 200.

#### Schools run by town:

Kindergarten, Uherské Hradiště, Svatováclavská 943, raised on 1st of January 2003 like allowance organization by mergence of 9 kindergartens, which constitute her separation workplaces at the present:

- MS, Svatováclavská 943
- MS, 28. října 982
- MS, Komenského 539
- MS, Husova 838
- MS with Christian upbringing, Husova 838
- MS, Štěpnická 1111
- MS, Below brae 1006
- MS, Míkovice, U mlýna 251
- MS, Gardens, Vřesová 50
- kindergarten, Uh. Hradiště, Lomená 1380, since 1<sup>st</sup> of January 2003 part of contributory organization of primary school Větrná 1063
- Kindergarten, Uh. Hradiště - Jarošov, Markov 416, since 1<sup>st</sup> of January 2003 part of contributory organization of primary school Jarošov, Pivovarská 200

### Schools run by other subjects:

- Special kindergarten, Revoluční 743, Uherské Hradiště, private kindergarten "cottage"(Štěpnická 1111), which belongs to Private free primary school, Ltd.

Founder of special MS is Zlín region. It is identified for children with light or middle central mental retardation, with heavy defect of speech, disorder of motoric and grafomotoric, DMO, with uneven development etc. This MS has seat on Revoluční street and like her separation workplace has rehabilitative classroom for children with combination of defects, it is in part of object MS Štěpnická 1111, where's also privacy MS.

### Basic schools:

School age is fixed term in the range of ninth years. Old boy of primary school acquires a basic education. Up performance of obligatory allowances of school attendance old boy can continue in arbitrary of educational program on secondary school, as far as at reception steerage fulfils conditions for press establishment fit ability, education, interests and health qualification requisite for elect branch. Town Uherské Hradiště makes 6 primary schools - contributory organizations. There from 4 schools are full (1. - 9. grade) and 2 schools incomplete (1. - 5. grade).

Fully (they have been contributory organizations since 1st of January 2001):

- basic school UNESCO Komenského nám. 350
- basic school Za Alejí 1072
- basic school Sportovní 777
- basic school Větrná 1063

Non-fully (they haven't been contributory organizations since 1st of January 2001):

- basic school T. G. Masaryka, Mařatice, 1. máje 55
- basic school, Pivovarská 200

### Private school:

Private free basic school, Mojmírova 747, Uherské Hradiště

### Secondary schools:

Uherské Hradiště presents together with Stare Město and Kunovice a centre of secondary education not only for population of UH region, but also for next door regions (Uherský Brod, Hodonín). Some secondary schools have expressively whereupon-regional action - Secondary Art and Grafts School or Private SOS and VOS There are 10 specialized secondary schools in Uherské Hradiště, one is in Staré Město, one is in Kunovice. Some schools also support different forms of studies.

## ***Social care***

### 1. Pensions, houses for seniors and handicapped people

Rest homes offer royal services for people, which cannot in the long term from health or by other reason, interlock their necessities of life in incident to environment. They are identified for citizens in retiring age. Homes - pensions offer basic services with living of clients in old-age or disability pension, whereby their health makes it possible to be relatively independent in life in fit conditions. Houses with social services - ensure a concentrated achievement of social workers in apartments hired by citizen in old-age or disability pension.



Current establishment	Address	Founder	Number of beds
Rest home	Štěpnická 1139	Zlín region	160
Pension for old people	Kollárova 1243	UH	72
Houses with day care	Rostislavova 488	UH	16
	Jarošov 114	UH	13

Source: Development program of UH town, UH town office

## 2. Social care

It presents a complex of ambulant services given to the clients, who aren't able to ensure to themselves own bio-psycho-social needs in natural social process. Contemporary establishment:

*Social care*, nám. Míru 464 – establishments are operated by social services - allowance organization of Zlín region. Service provides help to the health handicapped and old people, who are not able to take care about ourselves or ill people, who needs help for long time. Day care provides care to the citizens especially in their household, in houses with farmer services and in arrangement of farmer service.

*Charity*, Velehradská 247 - no-state medical arrangement of regional charity, which provides a complex care of clients of all time-honored categories in domestic environment and the area of health and welfare.

*Hospital with polyclinic* (flunder-Zlín region), Purkyňova 365, Uherské Hradiště, department-home care – four workers supply a home care.

## 3. Asylum houses

Offer of rear to the people, who lost their homes and have no chance to solve this situation. Contemporary establishment:

*Asylum house*, Růžová 436 – accommodation for men without roof, 12 beds, Founder: Zlín region, service's given by Social care.

## 4. Contact work, consultancy, consulting room, critical help

It offers to individuals, who (because of their life-style) can't or don't want to find standard institutional help. Contemporary establishment:

Lowtreshold centre for children and youth TULIP, Na Stavidle 1266 - arrangement of regional charity for prevention of social-pathologic phenomenon of children and youth, largely from town housing estates, especially by form of cross-country social working on the street, situation intervention, fundamental consultancy and attendant activity.

Charitable psychological consulting room, Velehradská tr. 247 - free of charge and anonymous service given by regional charity. It offers revolting consultancy, family therapy and contacts on revolting workplaces.

Centre of humanitarian help, Velehradská tr. 247 - arrangement operated by regional charity, which provides help for citizens in critical situation by means of social and psychological consultancy and voluntaries.

Contact centre CHARAC, Stonky 860 - arrangement of civil association Given hands provides different sorts of help and assistance for drug users (help for solving of problems, exchange of germ-free syringe syringes, contacts with authorities, courts, Search Help employment and domiciliation, mediation treatments etc ..), to the parents and partners of drug users ((consultancy) and other public (checks of risk locations, lecture and cultural activity, telephone consultancy.

Consulting centre District hygienic station, Stará Tenice 1195 provides consultancy in arrangement:

*Consulting room for testing of addictive matters* – counseling services for parents and teachers at children usage of addictive matters, toxicology checkup urinated and unyielding material on present needle or their metabolite

*AIDS Consulting room* – consultancy and information about HIV infection and sexually mobile pestilences, blood testing on present anti-HIV and antibodies and antibodies of viral hepatitis.

Centre for health inflicted of Zlín region, Palackého 293 - arrangement civil association national advice health handicapped CR (NRZP) provides health handicapped citizen social law consultancy and services (company on official behavior, representation of pursuant to his full authority, help at listing paper, creating of reserved parking places for heavily kinetic inflicted citizens, offer of compensatory instruments according to catalogue, depistague of social weak and solitary health handicapped citizens, drawing of confirmation for system of immobile telephone stations etc.).

Pedagogic - psychological consulting room, Františkánská 1256 - allowance organization of Zlín region offers psychological and especially pedagogic help for children and youth from 3 into 19 years flight on all levels and types of schools in UH region, their parents and teachers.

### ***Health Care***

Centre of allowed care HELP, Františkánská 1256 - arrangement MSMT CR is specialized on prevention of social pathologic phenomenon's near children and teen-agers.

Consulting room for families, marriage and human relations, Hradební 1250 - consulting room founded by Zlín region offers counseling and therapeutic help at solving of personal and family crisis and shocks.

Hospital with polyclinic is most considerable medical arrangement of region; it pertains to middle-sized hospital and interlocks a health care bed and ambulatory for citizens and whole hump areas (e.g. Veselsko). Hospital is equipped with 819 beds in 16 skills, which are supported by activity of nine departments. For administration of high-powered care sick of 43 beds are detached.

### ***Tourist traffic***

Uherské Hradiště is one of meaningful centers of Slovacko - important ethnographical areas of southeasterly Moravia. From standpoint of travel movement Slovacko presents a natural tourist region with resembling geographical building, common historical root ages and folk-lore tradition, which belong marketing tourist region southern Moravia.

Big part of territory of Slovacko is integrated by tourist waterway Bata canal, whose meaning for the development of travel movement is rising very fast. At appreciation of problems of travel movement in Uherské Hradiště it is before inevitable to go from appreciations of menus of whole region Uherské Hradiště like natural tourist areas of Slovacko.

Tourist marketing region	- South Moravia
Tourist region	- Slovacko area
Natural tourist area	- UH area

*Source: own one*

Very high potential of Uherské Hradiště and his region for the development of travel movement is founded above all on cultural inheritance in widest sense of this term. City centre was decelerated as a monumental zone with series historically valuable objects and near outskirts offers several objects of historical legacy of big meaning (castle, lock, pilgrimage place), what forms good environment for travel movement intended on cultural relics. Conventional crafts, products and folkways belong to the attractive culture too. Also

in this area town and his surroundings provide an extensive menu from viticulture to unique Slovacko folk-lore.

Town gives a big meaning to wide relations in terms of development of travel movement. In narrower extent it's a structure on tourist interactivities of neighboring towns and communities Kunovice (aeronautics) and Stare Město (archaeological locality), Ostrožská Nová Ves (watering-place, lakes). In wide relations town uses bindings in terms of region Slovacko and represents on agitprop actions. For efficient development of travel movement it will be inevitable to incorporate a town into European routes connecting towns and places with analogous subject matter - sights and viticulture.

### **Interpretation of town profile – SWOT analyze of status quo**

Results of SWOT analyze were used for:

- assessment of global strategic aim of town development
- identification of critical areas of town development and strategic aims following from it
- definition of procuratures, it means part of development program's and particular projects (see appendix No.2)

### **Strategy of town development**

For processing of strategy of town development customary prognostic method was used, whereas resulting text reflects above all town profile, records of sociological inquiry and findings of SWOT analyze. The main aim of strategy - to make possible a formulation of developing program and make-up their priorities that way, the threats of town would be eliminated and sides reinforced. This strategy is further elaborated for particular troubleshooting circuits including an assessment of available resources and time-spaced projections with by suggesting of solving of mutual bindings among single partial troubleshooting circuits.

Strategy of development works with two extreme scripts of development - sanguine and catastrophic. This method makes it possible well-arranged way formulate limits of town development and put together so realist optimum strategy of town development, which makes it possible in medium term of view most utilize a developing potential of towns..

### **Optima strategy of town development**

Key element of development - a reservation of economic prosperity of town. Development program is priory interested in support of creation of new working places, and quality, no quantity is prior. Development of working places in secondary sphere is connected with great traffic locality of all regions with existence of functional international airport. It's necessary to pay attention to elaboration of development area around Průmyslová street and by planning investment move it on real estate market. We suppose, production orientation of next investors will be connected with accurate machine, electrotechnics, aircraft industry and logistics. Development of small and central enterprise presuming how in secondary, so especially in Tertiary sphere. Creating of first-rate working places is nearly connected with high standard of technical and social infrastructure. Traffic buildings are key elements of development in town region. Handgrip of road I/50 is already completed, as well a construction of second railway's skyway. So what is a priority? It is a reservation of the fastest erection of road R55 and effective support of development of airfield in Kunovice, which makes a big advantage for town region. Inevitable condition of capital development in Uherské Hradiště-building up of housing. Flexible rate reaction to needs of the market and

running preparation of good locations is self-evident part of social policy of town. In the area of social infrastructure UH is a rear above all for smaller Kunovice, but freely structured nets of services of welfare shield by town, region and non-state nonprofit organizations are used also by inhabitants of SM . Voluntary centre in Uherské Hradiště files cross-country workers from whole town region. Also wide spectrum of services in the area of business, education, health service and free-time activities serves without determination limits to the inhabitants of whole town region. Also attractive natural rear, quality of living environment and structured offer of housing belong to the meaningful positive factors.

The second priority of UH development - development and support of culture, free time and sport life and above all till now no quite appreciation of travel movement. Huge potential of Uherské Hradiště consist not only in his natural position like centers folk-lore and cultural life whole Slovacko, centers of Uherské Hradiště wine areas and in tourist very attractive town monumental reservation. Tourist attractive is also in Czech criteria no quite standing cumulating of sports and cultural centers closely to the town centre and their real possibility of next development and gradual transformation of town sports recreational area in whereupon-regional centre of digestion of spare time. First-rate marketing of cultural and social actions with development of travel movement nearly interrelates. Marketing strategy of travel movement offers and propagandizes Uherské Hradiště in terms of town region and whole Slovacko, but it is necessary to orient it on "specificity". Development of tourism brings not only new jobs, but also improvement of services, which will be appreciated by local citizens. Conditions of successful development of travel movement are above all enlargement and improvement of the quality of menus of housing. the most wealth of town and deposit handling future prosperity of town are his little ones and youth. So systematic care of all-round development of youngest generation is one of the main aims of program. Success at the filling of never ending task is based on first-rate menus of education - from kindergarten to some university in casern area - and on broad gamut of menus of out-of-school activities from special-interest artistic activities over sports divisions till up discotheques, coffee bars and romantic nooks. Main developing directions of Uherské Hradiště, formalized in those strategies, are henceforth elaborated in particular developing program's, which will serve to the town to effective scheduling and realization of indefinable aims.

### **Proposal of development program's**

Proposed development program's are complex (e.g. long-term conception of town development, prevention and formation of living environment), so partial (e.g. support of development of enterprise, conception of housing policy, solving of transport and next). Assessment of particular developing program's ensued from processing of Development Program, so it wasn't possible to taxatively enumerate before. Particular developing programs and projects were ordered according to following strategic aims:

GLOBAL STRATEGIC AIM			
<i>Balanced development and the long term stabilization of all main components participant on creation of life-standard of town - economy, social sphere, infrastructure and living environment.</i>			
Strategic aims			
↓	↓	↓	↓
Traffic and technical infrastructure	Housing and Living environment	Economy and management	Town infrastructure
↓	↓	↓	↓
Improve a traffic situation in town and its outer traffic inosulation, into-build a technical infrastructure	Improve living conditions and quality of life of citizens, enhancement of satisfaction of inhabitants, creation of attractive environment for living of inhabitants from surroundings and from regional town. Improve and stabilize a condition of living environment on level of modern royal town, carefully on quality of life of inhabitants	Create a favorable corporate environment indicatory a harmonic town development and its long-term economic stability. Create conditions for first-rate and effective management of town development.	Improve living conditions and quality of life of citizens, creation of varied and first-rate offer of business and services, education, health service, culture, sport and recreation. Fabricated of Uherské Hradiště a centre of travel movement of Slovacko
↓	↓	↓	↓
Development projects	Development projects	Development projects	Development projects
1.3 connection Purkyňova – Průmyslová 1.2 Western handgrip of town - national road II/498 + lining up to the Průmyslová street on handgrip 1.5 Organization of traffic in the centre of town 1.1 Fast highway R 55 1.7 Cycling traffic in town 1.4 North handgrip II/497 1.8 Airport in Kunovice	5.2 Adjustment of developing areas for living 5.1 Conception of town housing policy 3.10 Mother gate places and collective yards of sorting waste 2.7 Regeneration of housing estate Vychod 3.12 Uherské Hradiště – Clear town ↓	4.1 Support of enterprise and cooperation with enterprisers 9.3 Support of construction of accommodation capacities 4.2 Offer of surfaces and objects for enterprise 10.1 Management of town amenities 4.3 Town policy of economy with realties 4.6 Town Marketing	2.13 New use of building on Masarykovo sq.21 12.1 Centrum of education Kasárny 2.5 Finishing of a building and reconstruction of town sports recreational area 11.2 Reconstruction of swimming area - "water world" 2.3 Regeneration of public rooms Havličkova-Masarykovo sq. 2.6 Reconstruction of town sub centers 9.2 Tourist terminal on Bata canal 6.6 Scheduling of needs of welfare 12.4 Optimalization in education in UH 2.2 Urban solving of locality Velehradská – bus station 11.1 Reconstruction of winter stadium

Source: Program of UH town development, town office UH, SAURA Brno, 2004

### 6.3 Sources for strategy implementation

Project can leak for support of some fund of EU only at that time, if it's his sight and content conformable with aims of regional policy of EU. This reality must be documented by applicant in special appendix named "harmony with developing strategy". Identification of pertinent sources for together-financing procurations and projects of local developing strategy suppose detailed orientation in programming documents of European regional policy. Selection of fit donation title, in case of European funds procuration of pertinent operating program is usually only introduction of the complicated processing and presentation of projected requests for support (see chapter 7).

Following tablet is a result of projected intentions of Development Program of UH described in set leaves with priorities and procurations of particular operating program's for period 2004 - 2006.

#### Strategic aim: traffic and technical infrastructure

Project Town development	Identification of external source of financing
1.3 Connection Purkyňova - Průmyslová	ERDF – SROP, procuration 2.1 Traffic development in regions
1.2 Western handgrip of town- road II/498 and inosculation street Průmyslová on handgrip	ERDF – SROP, procuration 2.1 Traffic development in regions
1.5 Traffic organization in town centre	State fund of traffic infrastructure
1.1. Fast highway R 55	ERDF-SROP-procuration 1.2- Fabrication and modernizing of roads of I. avenue Cohesive fund
1.7 Cycle traffic in town	State fund of traffic infrastructure
1.4 Northern handgrip II/497	ERDF – SROP, procuration 2.1 Traffic development in regions

#### Strategic aim: Housing and living environment

Project Town development	Identification of extern source of financing preparation o
5.2 Making of developing areas for housing	SR - Program of support of building-up of technical infrastructure MMR CR
5.1 Conception of flat policy of town	System of procuratures of UH
3.10 collected places and collected area s of collected waste	ERDF – OP Infrastructure, procurature 3.4 – operation with waste and renewal of old one
2.7 Regeneration of real estate Vychod	SR - Program of regeneration of panel real estates MMR CR
6.2 Asylum houses	ESF – SROP, procuration č. 3.2: Support of social integration in regions

### Strategic aim: Economy and management

Project Town development	Identification of extern source of financing
4.1 Support of enterprise	ERDF – OP Industry and enterprise – procurement 1.1 – development of small and middle enterprise
9.3 support of housing	ERDF-SROP-procuration 4.2-development of infrastructure for traffic movement for NUTS II Centre Moravia 2007 - 2013
4.2 Offer of places and objects for enterprise	ERDF – OP Industry and enterprise – procurement 1.1 – development of small and middle enterprise
4.3 town policy of real estate economy	System procurations of UH
10.1 Management of town culture establishments	System procurations of UH

### Strategic aim: town infrastructure

Project Town development	Identification of extern source
2.13 New using of building Masarykovo sq. 21	ERDF-SROP-procuration 4.2.-development of traveling
12.1 Center of education Kasárny	ERDF-SROP- procurement 2.3-Regeneration and revitalization of chosen towns
<b>11.2 RENOVAL OF SWIMMING AREAL – „WATER WORLD“</b>	ERDF-SROP- procurement 4.2.-Development of infrastructure for traveling, ROP pro NUTS II Central Moravia 2007 - 2013
2.3. Regeneration of public areas	ERDF-SROP- procurement 2.3- Regeneration and revitalization of chosen towns , ROP pro NUTS II Central Moravia 2007 - 2013
2.6 Reconstruction of town sub centers	ERDF-SROP- procurement 2.3- Regeneration and revitalization of chosen towns , ROP pro NUTS II central Moravia 2007 - 2013
9.2 Tourist terminal on Bata canal	ERDF-SROP- procurement 4.2.-development of infrastructure for traveling, ROP pro NUTS II central Moravia 2007 - 2013
12.4 Optimalization in education in UH	ESF-OP development of human sources- procurement 3.1- improvement of education, ROP NUTS II central Moravia 2007 - 2013
11.1 Reconstruction of winter stadium	ERDF-SROP- procurement 4.2-development of infrastructure for traveling ROP pro NUTS II Central Moravia 2007 - 2013

#### notes:

- ERDF – European regional development fund
- ESF – European social fund
- SROP –Common regional operating program
- ROP – Regional operating program
- SR – state budget
- MMR ČR – Ministry for local development of Czech Republic

Source: Program of development of UH, town office of UH

## **7 Preparation of projects supported by EU**

### **7.1 Main principles of preparation of projects**

Reception of support from European fund is conditioned by sufficient numbers of first-rate worked projects. Municipalities have their strategic plan, which identifies a lot of projects of social and economical development of them. Then the project documentation must be done to obtain the substance from funds. So the content of the documents must respect following:

- principles of EU, which must be in all documents
- connection on program documents (NDP, vazby na programové dokumenty (Národní rozvojový plán, European Spatial Development Perspective ,etc.... especially on operating program's, regional and sector ones, which make barrier's of the project
- conjunctions on received developing strategy, agricultural policy, especially her local level, that is in case of concrete project often limiting
- necessity of communication with all partners, who has share on solving of project, or will be influenced by records (living environment, changes of technologies, land edits etc.)

Preparation and realization of projects posits existence of series institutions, especially of payment agencies, banks, monitor and auditing body and next, that must choicely tamper with substance of EU and with public and private substance designated on together-financing.

#### **Types of projects**

According to its contents:

- monothematic - intents on one matter-of-fact topic
- multithematic – consists of several matter-of-fact topics

While first group of projects concentrates on resolution of definite homogenous problem - living environment - biomass - waste management, COV - drainage, second group of project solves a concurrence of several problems - enhancement of additional revenues - tourism - alternative agriculture - new entrepreneurial activities etc .

According to longitude of solving:

- short-term ones (till 1 year)
- middle-term ones (2-4 years)
- long-term (more then 4 years, or 7 years)

According to matter-of-fact orientation of finances:

- projects capital intended on modernizing of technologies
- organizational, oriented above all on improvement of organization of material and financial flowing

In terms of structural funds prior projects, which include development territory entire, solves complex problems provincial population, his economic and social steadiness, antipollution measures etc. and accordingly handling and needed partner participation.

#### **Content of project**

Project, understood by EU, isn't accidental decision to work any problem or idea. Belong purposeful programming of the process in terms of turn-key solution of regional priority from



layout program responsive on pivotal problems of agriculture and provincial precinct over procurement to their solving coming into proposal of project linked over corporate objectives, priority and criteria with prospectuses, which was discussed and agreed by governments CR and European committee. In terms of operatively they are realized by concrete procurement to fill priorities of layout program, namely form by project. On this level realization of project is happened, pumping of financial source and appreciation impacts. Projects at that conception, how they will be prepared practically, have a different character than those, whose basis forges only technical documentation or implementer project in terms of organizational methodical instruction of realization of technical setting, eventually software and hardware safeguard. According to EUROPEAN COMMUNITY project has essentially sizable catch, namely from preparations to his realization, basically it is going about whole action, whose aim must make sense and four-square booked up. Clear, hit off intention, his intelligible formulation and concrete, quantifying, matter-of-fact and time controllable aim - presumption of success project.

### **Process of project elaboration**

Process of project must be consisted of following ones:

- a) **title of project** – a right formulation presented the aim of project.
- b) **localization of project** – specification of area of realization of project, land register data, map of area
- c) **reasons of elaborated project** - why applicant submits a project (e.g. reconstruction and modernizing of horsy technology inclusive floor and ventilation for small cattle with the view of improvement of welfare in breeding of farm animals).
- d) **description of project:**
  - aim of project, (what we want to achieve, what improve, prospective social effect, that means return interrogation: where, what way, when and how want achieve). Aim must be quantified
  - characteristic of present problems, needs (description of concurrently situation by SWOT analyze - crimp at realization of project, diversification ... Advise with supplement of photo of status quo)
  - confinement on priorities and procurement program (e.g. Development plan of agriculture and countryside CR for period 2000 - 2006 in terms of program SAPARD, harmony with regional strategy betrayed into national development plan and regional development plan
  - assessment of clear-cut short-term aim and prospective contributions specialized for example on enhancement of emoluments, environment improvement, enhancement of a number of working places (e.g. . bring in number of working place before initiation of project and up his fulfillment), these purposes would have been realistic, concrete, measurable by the help of elect detector, whose by means of proceed of monitoring effect from intermediate substances, mostly with introduction of two till three

e) **safety of project**

- analytical (specifications of needs on choice procurement of project, formulation of conditions for obtaining and preservation of capital for investment in a given environment)
- allocation (weighted chances of allocation capital and investment in region, in company ...)
- organizational (participation physical men and juridical men on regional development by means of project)
- financial (obtaining, identification and scheduling of financial source for project and rules for transaction of financial operations of safeguard project)
- technical (need of new technologies, computers and computerized nets, communication substance ...)
- personal (person liable for realization project - name, surname, address, level of achievement education - eligibility, age, rating of ultimate consignee of boosters and parameters sharing on project)

f) **time process at the realization** - comprises a description of particular periods of realization of project from standpoints of time and financial and engagement to open a project in assessment time term (at the latest into 3 month)

g) **financial plan** - contains an analysis of load and decree, planned fluxes of coffers, information sources, way of offering of financial means, contains periods and suggested way of financing, together-financing. It is realized with form of financial tab, which generates obligatory part of project and mean volumes of coffers from single sources. Ought to exist perceptibility, how much substances will be obtained from EU, how much will be from domestic public sources and how much from private ones. Coffers may be composed from public and private substances and from more partners, who in spirit of partnership will have a share on solving. Share of substances requested from Euro depends upon character of project, thereon, whether is concerned on economic project, or about nonprofit project. For nonprofit project benefit can be from EU till 75 %, of the remaining 25 % forges of together-financing from national or From private sources. At profitable project 50 % covered by submitter of project from his sources, other 50 % forges benefit from EU (it is. from total volume of substances 37,5 %) and from 25 % then public funds (it is. 12,5 % from total volume of substances on project).

h) **selection and assessment of indicators for monitoring and appreciation of project in** this phase we distinguish indicators of exits, which mean an operating purposes, it is. concrete procurement needed to achieve of indefinable purpose (for example retraining scheme for in the long term unemployed), which relate to activities, Largely are meted in natural troops, they can formulated also in financing units. Indicators of records, which mean specific purposes, mean direct and instantaneous effects. Indicators of impacts - effects, which mean global purposes, then it, what should be final effect of developing document.

- i) **Appreciation of influence of project on living environment** - asked for special projects with negative influence of living environment law Nos. 244/1992, procurement and direction No. 85/337.
- j) **expected effects and realization of project** - it acts about financial, social proposals for next procurement (e.g. improvement of aesthetics slash-grain wood, improvement of making of surface waters).
- k) **reservation of implementation of project into practice** - what institution with have share on realization, what way the control of financial will be secured, independent audit, submitted news of attained effect etc

## **7.2 Practical example of the project – Centre of lifelong education**

The idea of project "centre of lifelong education in Uherské Hradiště" came from town development program, which proposes by form of so-called set list a realization of series interconnect activities, whose purposes is of rise of so-called centre of education in area of former barracks in Uherské Hradiště. Set list describes troubles which are solved by this development program, effects, which bring and shows concretely steps for its preparation.

**Part of set list is an indicative financial frame of partial developing program.**

<b>No. and title</b>	<b>12.1 Centre of Lifelong Education</b>
<b>Description</b>	<p>This property was transferred into town competence in 2002 and the area became a place of big project for town and region population needs. Town engaged a processing of concept materials (architectural study converting area barracks, prospecting study of chances of development education and education), which supported the idea of placing educational centers into area. From results of prospecting study maybe perspective placing one workplace (or workplace) already going university in educational centers, if need be placing by other educational institution and activities; no rise of new independent university. Sight faculty would have corresponded with conventional priority or tie together on excellent workmanlike and artistic tradition towns and region (aeronautics, precision engineering, food-processing industry or education, enclosure artistic, archaeological or travel movement). Big chance (in particular from standpoints possible donation title from EU structural fund) it is possible expect in the area lifelong education or on the contrary at bring to order short-term skill, seminar and congress (development congressional tourism).</p> <p>Chief effects developing program beheld with the following point:</p> <ul style="list-style-type: none"> <li>▪ Creating of approximately. 70 new working and approximately 600 – 800 educated places (in 1.etap)</li> <li>▪ Development of entrepreneurial activities in Tertiary sphere</li> <li>▪ Support of development travel movement (congressional tourism)</li> <li>▪ Conditions of development of sports and cultural infrastructure</li> <li>▪ Repair of position of Uherské Hradiště like meaningful regional center</li> </ul>
<b>Partial steps</b>	<ul style="list-style-type: none"> <li>▪ Processing of study practicability of educational centers in casern</li> <li>▪ Selection "developing" troupes - operator educational centers</li> <li>▪ Political lobbying of town at searching school and educational arrangement</li> <li>▪ Processing PD reconstruction centers, selection of supplier buildings and engineering supervision</li> </ul>
<b>Terminus</b>	2005 – 2007
<b>Garant</b>	Town of Uherské Hradiště
<b>Participating subjects</b>	<u>OSS, operator - developing society, ZK, MSMT CR, university</u>
<b>Way of realization</b>	<p>from costing towns (preparatory and designing work), grant and grant of structural fund of EUROPEAN COMMUNITY,EIB Supposed division in project on 3 subprojects:</p> <p>1) centre VS education and domiciliation : cost estimate c. 150 milion CZK</p> <p>2) centre of lifelong education: cost estimate c. 50 million CZK domiciliation for ad 2):cost estimate c. 100 milion CZK</p>
<b>Town expenditures</b>	<p>ad subproject 1) + 2) 30 million CZK</p> <p>ad subproject 3) 50 million CZK</p>

Set list shows in, that intends partial developing program replenishes or that centre of education in former barracks arises from realization of three autonomous projects:

- regional educational centre - university area
- centre lifelong education
- accommodation and board centre

Two of these projects already were ready for and successfully sight into 1. and 2. wheels dares for submitted project into common regional program. Here show in brief extracts from electronic form requests for boosters project centre lifelong education sight in 2. cokes dare SROP:

### **1. Identification of operating program**

Title surgical program: Common regional surgical program

Title priority: Development human source in regions

Title procuration: Infrastructure for the development of human source in regions

Region support: Infrastructure social and public

### **2. Project**

Title of project: Centre of lifelong education Uherské Hradiště

Date of initiation project: 20. 8. 2005

Date of expiry of project: 20. 8. 2006

Lifetime project: 12 months

### **3. Description of project**

Starting situation and warrant project:

In district Uherské Hradiště and in Zlín region limit is absent concerning needs employment market connected system further training and professional education grown-up, interconnected with initial education and providing purposes lifelong teaching. In Zlín region exist institution based by MSMT CR, counties, community or private institution, there is no however centre, that would region lifelong education co-ordinate and at the same time solve bluntly requirements enclosure with in Zlín limit at all don't realize and so on Region lifelong education is priority how Zlín region, so and towns Uherské Hradiště and centre lifelong education is readiness this region system solve. Purposes is offer complex service for realization program lifelong education (counseling activity, publicity, research consultation , co-ordination activity single subject, lease space, cooperation at obtaining accreditation, realization complex informative service, offer quotation, cooperation with inland and external subject etc ..).

#### **General aim of project:**

- a) achievement of development of region and growth quality of life of all inhabitant forms development human source in the area lifelong education
- b) development of knowledge of economy

#### **Specific aims of project:**

- creation conditions for the development of lifelong teaching
- raise the standard education in region

- enhancement competitive advantage manpower forms facilitation access to lifelong education
- development informative troupes
- creation of a new job in region

**Project is ready for realization:**

Municipal corporation passed in February 2003 conception of converting utilize area barracks, initiation work were destined to merge building steerage.

**Groundwork and diversification of realization of project:**

- enlistment project among monitored priority towns
- valid territorial decision
- valid building approval
- project hold out in competition and will chosen to financing from SROP
- selection of first-rate supplier – quality
- inadequacies in projected documentation
- additional changes requirements investor
- geological problems, contamination lots
- archaeological findings in site
- environmental disturbance at construction
- breakdown on buildings
- uncontrolled matters (gale, etc.)
- availability and qualification manpower
- reservation sufficient financial source needed to realization project
- course selective steerage in assessment term
- signature accords about financing (SROP) in virtual date
- interest educational institution about reconstructed precinct for our educational prospectuses
- moderate manpower with needed qualification
- time harmony realization project and intention future of the user
- selection fit program lifelong education
- interest citizen and institution about bidding prospectuses lifelong education
- change of legislature in the area lifelong education, given and other
- judgment development demand in the area lifelong education
- reservation defensibility project
- support project public opinion, regional and district institution
- demand analysis, judgment development

### **Structure of project on other supposed project:**

Project "centre lifelong education Uherské Hradiště" has direct bindings on further implied trust projects, namely project regional educational centre - university area (project look out and sight in terms of procurement 2.3 SROP), and project travel movement - accommodation capacity (procurement 4.2. SROP), which will realize in by other object barrack area and tie together building and contained on project centers lifelong education. Construction accommodation capacity in part amends deficit 250 - 300 bunks in town Uherské Hradiště and in concurrence on university area and centre lifelong education will at the same time serve as support development congressional tourism.

### **Influence on equal opportunities**

- Project is assembly in support of straight occasion: NO
- Project has positive impact on straight purposes: YES
- Project is of standpoints of straight occasion neutral: NO

### **Description and warrant of influence over straight purposes:**

Offer of program lifelong education is identified for man and woman; pretenders of education are not discriminating pursuant to race, ethnic origin, vortices or health infliction of. Some already kith persons concerned about exploitation CCV (e.g. . central and special school, make possible by means of his program access to education and prequalification and insider citizen with complication or dull access on employment market.

### **Influence on living environment:**

Project has positive impact on living environment: YES

Project requires appreciation influence over living environment: NO

Project is ecologically neutral: NO

Description and warrant influence over living environment

### **Project has positive impact on living environment in double plains:**

- reconstruction of building reach the ablation ecological stress, stress, prevent with risk heat pollution in consequence enhancement diversification breakdown
- offer of some prequalification project will sight and on enhancement ecological sense of, knowledge and posture public

### **Informative society**

- project is largely sight on development informative troupes, has a positive impact on living environment, isn't from standpoints of influence on development of informative troupes neutral
- projects notably make for development informative troupes especially forms active boosters education. In reconstructed precinct arise from study with access public to internet

### **Defensibility**

- In case, he should project wasn't buttressed from structural fund EU then would

- Project no-kept on, lengthen time realization, project would no-kept on in limitation measurement, project would wasn't realized

**Description of continuation project and defensibility:**

Up closure boosters from structural fund will reconstructed objects serve as infrastructure for safeguard activities lifelong education? Operator ensures operation and educational activities CCV, take up extant circulatory marketing activities of purpose make safe and into by-and-by utilize CCV educational institution.

**Description added value of project:**

Creation of covered institution, which interlock a complex sponsor making menus of all quadratic lifelong education and safeguard operation centers in the area rights on area. Development of human source in region, development of knowledge economically, enhancement of competitive advantage manpower, improvement culture textures inhabitant, creation of new job, improvement of unfavorable demographic trends, positive influence over region straight occasion and development informative troupes.

**Project is innovative:**

Description of added value about:

- ablation of ecological stress
- decrease of power heftiness

**Publicity**

- Announcement in all projected documentation and presence: YES
- Announcement on specific internet pages: YES
- Announcement on billboards: YES
- announcement in all educational material and medial presence: YES

**Concrete procurement for reservation publicity:**

- system www pages
- production and distribution informative and agitprop material with information about project and his backing EU
- presence and publicity project on fair, show and seminar
- on building marker will set according to visual identity project supported EU with announcement, that project was co-financed from substance EU
- billboards - caution about area
- printing session of Uherské Hradiště to project

**Obligatory allowances appendices:**

- Harmony with developing strategy No.1
- Declaration on word of honor of applicant No.2
- Logical frame project No.3
- Detailed budget project No.4
- Groundwork for economic evaluation project No. 5



## 8 Conclusion

Presented bachelor work deals with the process of drawing and exploitation of the factors concerning the regional and structural policy in EU and Czech Republic for development of Czech regions and communities. Development strategy and project of Uherské Hradiště were presented as a concrete example.

The terms "regional policy and its substances" specified in the introductory chapter. The causes of rising of regional policy, comparing of different conceptions and description of instruments of regional policy to balance the differences in social and economic sphere economic sphere are interpreted in this chapter too.

Regional policy (in current EU) is made on several levels. We can say we know three basic levels as known: regional, national and supra-national one. National governments move the competence of sphere of regional policy on lower level of administration (see e.g. law No. 248/2000 Lt., about support of regional development in CR, which is defined by region competence), but also on supranational bodies (cause of member states of EU). Next two chapters deal in regional policy of Czech Republic ((national level) and European Union (supra-national level). Just a regional policy of EU (policy of economic and social cohesion) presents extant (and will present for next seven years) the most important source of substances for development of Czech regions and municipalities. So successful drawing of substances of European regional policy is supposed with perfect knowledge of its principles, forms, aims and procedures.

If Czech Republic, Czech regions, towns, municipalities and other subjects want to be successful of drawing and using of substances from structural funds, they must satisfy several conditions. First of them - the elaboration of strategic documents on national level, which determine priorities and aims on national level the substances will be used for. Fifth chapter, which presents a system of operating programs, deal with this topic.

Next condition - project proposals, whose elaboration is depends on applicants for support, it means on municipalities, regions, non-profit organizations, firms and other subjects. Presented projects must conduce to the impletion of aims of European regional policy mentioned in particular operating programs. The projects are also appreciated especially according to achieved effects (e.g. number of newly created working places, body count with improved living environment etc.). EU prefers to support projects, which are part of wider strategy of development of troubled territory. These projects respond to local needs better and achievement of required effects (see principle of programming) is more effective. The topic of strategic planning is elaborated in six chapters, which presents principles and methods of strategic planning in detail on example "Development program of Uherské Hradiště". Strategic plan of territorial development comes from detailed description of all its components (situation analyze), all main problems and troubled territories are identified by form of so-called SWOT analyze, strategic plan determines aims of development and defines procurations to achieve them. Then proposed procurations are elaborated into concrete development projects. So local developing strategy is on the beginning of whole process of elaboration of first-rate projects and successful exploitation of supports from structural funds. Then original contribution of work consists especially in identification of sources, let us say concrete procurations of particular operating program's for together-financing of realization of concrete projects of "Development program of Uherské Hradiště (see chapter 6.3) Sources for financing of projects of Development program of Uherské Hradiště).

Project intents are thought not only like ideas, but also like an ability of formal elaboration of acceptable project and its consequential management. This is mentioned in seventh chapter. Practical fundamentals of elaboration of projects are shown in project "Centre of lifelong education in Uherské Hradiště". The project was presented in terms of second road of appeal

for presentation of projects for Common regional operating program. The project was successful and realization of its investments phase should be finished in September 2006.

## Resume

The purpose of my bachelor work is to characterize financial measures of structural and regional policy of the European Union and the Czech Republic usable for support of local development and to give an analysis of institutional, administrative and factual presumptions of municipalities of Uherské Hradiště region for drawing of substances from EU funds. It's also an evaluation of the development strategy of Uherské Hradiště in relation to the specialization of priorities and procurations of structural and regional policy of EU and the Czech Republic.

And what's the main pillar hypothesis of my work? It's a conviction, that meaningful elaboration of social and economic analyses, which accentuates priorities of European regional policy and (simultaneously) fully corresponds with Czech regional policy, is inevitable presumption and starting-point for successful exploitation of structural funds of European Union. I described a contemporary and planned form in terms of EU and explained an actual situation in Czech Republic and in micro region of Uherské Hradiště.

It's evident, from present short experience with exploitation of EU funds that particular potential subjects were ready enough and their development projects are subsequently presented in terms of particular rounds of appeals of operating program's or initiatives of Community. That's more than possible that the positive aspects of drawing of finances from structural funds will have a dominant position and the high absorption capacity will be achieved in the regions.

Evaluation of social and economic position of Uherské Hradiště and specification of possibilities of concrete developing designs from standpoint of exploitation of structural funds of EU were a part of my work.

At the present a majority of communities, micro regions and superior territorial-administrative wholes understands that if they want to create an acceptable project, they must use strategic documents and activities and needs of objective groups' identifiable by them. First-rate adjustment on a possibility of drawing of finances of EU is an inevitable "springboard" to their successful exploitation. Benefit from projects has especially social character.

## List of used abbreviations

EAGGF	European Agricultural Guidance and Guarantee Fund
ERDF	European Spatial Development Perspective
ES	European Communities
ESF	European Social Fund
EU	European Union
EURO	European Currency Unit
FIFG	Financial Instrument for Fisheries Guidance
HSS	Economic and Social Cohesion – ESC
INTERREG	Interregional integration program
ISPA	Instrument for Structural Policies for Pre-Accession
SAPARD	Special Action Program for Pre-Accession Aid for Agriculture and Rural Development)
SROP	Joint Regional Operational Program
SWOT	Strengths, Weaknesses, Opportunities and Threats Analysis

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## **List of enclosures**

Appendix No. 1 - National Development Plan and Community Support Framework

Appendix No. 2 - Operational program's and Cohesion Fund

Appendix No. 3 – SWOT analyze