



EVROPSKÁ UNIE
Evropský fond pro regionální rozvoj
Operační program Podnikání
a inovace pro konkurenceschopnost



OP EIC: Relevance of Development Needs, and Contribution to Fulfilling Partnership Agreement Objectives for the Period 2014-2016

Final Report (shortened version)



Version 1.2, March 2017

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Glossary of Acronyms

API	Agency for Entrepreneurship and Innovation
CEF	Connecting Europe Facility (a facility to connect Europe)
ČMZRB	Czech-Moravian Guarantee and Development Bank
CR	Czech Republic
CNB	Czech National Bank
CSO	Czech Statistical Office
DG	Directorate-General of the European Union and other EU bodies
PA	Partnership Agreement
DS	Distribution system
EE	Energy efficiency/effectiveness
ERDF	European Regional Development Fund
EIB	European Investment Bank
EC	European Commission
EQ	Evaluation question
EP	European Parliament
EN CR	Energy network of the Czech Republic
ESIF/ESI funds	European Structural and Investment Funds
EU	European Union
EUROSTAT	Statistical Office of the European Union
RC	Ripple control
GDP	Gross domestic product
ICT	Information and Communication Technology
InT	Integrated Tool(s)
IROP	Integrated Regional Operational Programme
ITI	Integrated Territorial Investment - a new tool of the EU structural policy for the programming period 2014-2020
kV	kilovolt
CHP	Co-generation of heat and power
MF	Ministry of Finance
MRD	Ministry of Regional Development
MG	Methodical Guideline
MIT	Ministry of Industry and Trade
MLSA	Ministry of Labour and Social Affairs
MoE	Ministry of the Environment
MS2014+	Monitoring System of the Structural and Cohesion Funds for the Programming Period 2014-2020
SME	Small and Medium Enterprises
NAP	National Action Plan
NCA	National Coordination Authority/National Authority for Coordination and Management of the Partnership Agreement
NRP	National Reform Programme
NPE	National Programme Environment
OP	Operational Programme
OP T	Operational Programme Transport
OP EI	Operational Programme Enterprise and Innovation
OP EIC	Operational Programme Enterprise and Innovation for Competitiveness
OP IE	Operational Programme Industry and Enterprise

OP PGR	Operational Programme Prague - Growth Pole of the Czech Republic
OP F	Operational Programme Fisheries
OP SRE	Operational Programme Science, Research and Education
OP Emp	Operational Programme Employment
OP E	Operational Programme Environment
RES	Renewable energy sources
PAX	Priority axis
AP	Aid Programme
RDP	Rural Development Programme
TS	Transmission system
WG Eval	Working group Evaluation
PR	Preliminary Report
MA	Managing Authority
SG	Smart Grid(s)
S/C	Synergies and complementarities
SO	Specific objective
TA	Technology Agency
TO	Thematic objective
TC AoS	Technology Centre of the Academy of Sciences
TAr	Thematic area
ToC	Theory of Change
TD	Territorial dimension
R&D	Research and development
R&DI	Research, development and innovation
FR	Final Report

1 Introduction

1.1 Identification of the contracting authority and of the contractor

Contracting authority:

Czech Republic - Ministry of Industry and Trade

Na Františku 32
110 15 Praha 1
Czech Republic
www.mpo.cz

Contractor:

EUFC CZ s.r.o.

Popelova 75
620 00 Brno
Czech Republic
ID No.: 269 42 364
www.eufc.cz

1.2 Purpose of this report

The purpose of this Report is to summarise the findings arrived at by the evaluator when solving individual thematic areas of the evaluation, and to present to the contracting authority the information on the work progress and procedure applied for the processing of the contract “OP EIC: Relevance of Development Needs, and Contribution to Fulfilling Partnership Agreement Objectives for the Period 2014-2016”, and on the carried out activities and processed outputs.

Based on the activities performed by the evaluator, the Final Report (FR) contains a summary of information and findings relating to:

- I. Evaluation of the OP EIC relevance in relation to the development needs of the PA
- II. Evaluation of the programme contribution to fulfilling the PA objectives
 1. Adequacy of the OP EIC setting in relation to the ability to meet the objectives set in the PA and OP
 2. Implementation of the OP EIC and status of fulfilment of individual SO
- III. Evaluation of the validity of setting of synergies and complementarities (S/C) and of territorial dimension
 1. Evaluation of the relevance and possible results of synergy and complementarity relations
 2. Evaluation of the relevance and possible results in terms of the territorial dimension, including ITI

1.3 List of sources and underlying documents to prepare the report

The below-mentioned underlying documents, in particular, were available to the Contractor to realise the evaluation project concerned:

- A set of documents “Guidance Documents for the 2014-2020 Funding Period”
- Regulation No. 1303/2013 of the EP and of the Council (EU) and Commission Implementing Regulation (EU) No. 821/2014
- Strategy Europe 2020 and relevant Union initiatives

- Statement of the Commission departments on the development in the area of the Partnership Agreement and programmes in the Czech Republic for 2014-2020 (“Position Paper”)
- Partnership Agreement (technical revision, 04/2016)
- Macroeconomic and sectoral analysis of the CR (01/2017)
- Methodics for managing the programmes in the programming period 2014-2020, incl. Annexes
- National document on territorial dimension

- Relevant strategic documents relating to the OP EIC:
 - National Reform Programme of the CR for 2014, 2016
 - Recommendation of the Council on the National Reform Programme of the Czech Republic for 2014
 - Recommendation for the Recommendation of the Council on the National Reform Programme of the Czech Republic for 2016, and statement of the Council on the Convergence Programme of the Czech Republic from 2016
 - National Research and Innovation Strategy for Smart Specialisation of the Czech Republic (National RIS3 strategy, Office of the Government, 06/2016)
 - National Innovation Strategy of the CR
 - National Research, Development and Innovation Policy for the Period 2016-2020 With Outlook to 2025
 - Updates of the National Research, Development and Innovation Policy of the Czech Republic for the Period 2009-2015 With Outlook to 2020
 - National Priorities of the Oriented Research, Experimental Development and Innovations International Competitiveness Strategy of the CR for the Period 2012-2020
 - Regional Development Strategy of the Czech Republic for the Period 2014-2020
 - Action Plan of the Regional Development Strategy of the CR for the Period 2017-2018
 - Strategic Framework for Sustainable Development of the CR
 - National Space Plan 2014-2019
 - Concept of the Support for Small and Medium-sized Enterprises for the Period 2014-2020
 - Action Plan of the Support for Small and Medium-sized enterprises for 2016
 - Updates of the State Energy Concept of the CR (2015)
 - National Renewable Energy Action Plan of the Czech Republic (2015)
 - National Energy Efficiency Action Plan of the CR (2015)
 - Secondary Raw Materials Policy of the CR, incl. evaluation of its fulfilment (2016)
 - State Environmental Policy of the Czech Republic 2012-2020 (updates 2016)
 - Updated State Policy in Electronic Communications: Digital Czech Republic v. 2.0, The Way to the Digital Economy
 - Export Strategy of the CR for 2012-2020 (updates 11/2016)
 - Strategic Framework for Economic Restructuring of Ústecký kraj (Ústí nad Labem region), Moravskoslezský kraj (Moravian-Silesian region) and Karlovarský kraj (Karlovy Vary region) (2017)
 - National Action Plan for Smart Grids (02/2015)
 - Transmission System Development Plan of the Czech Republic 2016-2025 (12/2015)
 - National Plan of the New Generation Grids Development (09/2016)
 - Initiative Industry 4.0 (2015)
 - Outputs of “INKA – Innovation Capacities 2014+” project, etc.

- Programme and control documentation of the OP EIC:
 - Programme document of the OP EIC, incl. Annexes

Operating Manual of the OP EIC, incl. Annexes
Texts of calls of individual AP and Annexes
A complete overview of the system of indicators of the OP EIC
Datasets from MS2014+: material and financial monitoring as at 31 December 2016, an overview of projects within the OP EIC as at 1 March 2017
Datasets from ISOP7-13 concerning the OP EI: drawing from funds in 2007-2016, output reports on quarterly aggregation of indicators in 2007-2016
Intervention logic of the programme / theory of change for individual SO of the OP EIC
OP EIC and OP EI Annual Reports
Overviews of the fulfilment of S/C relations of the OP EIC for 2015 and 2016
Minutes of Meeting of the Monitoring Committee of the OP EIC, incl. Attachments

- Evaluations and analyses relating to the OP EIC:

Analysis of the absorption capacity, and proposal of target values of indicators of the Operational Programme Enterprise and Innovation for Competitiveness for 2014-2020
Analysis of indicators of outcomes of the Operational Programme Enterprise and Innovation for Competitiveness for 2014-2020 (OP EIC)
Preliminary assessment of financial instruments of the OP EIC
Ex-ante evaluation of the Operational Programme Enterprise and Innovation for Competitiveness for 2014-2020
Assessment of effects of the OP EIC on the environment
OP EIC Evaluation Plan

- Programme documents of synergy and complementarity programmes for the programming period 2014-2020
- OP EI documents (programme document, annual reports, aid programmes documentation, outputs from the relevant evaluation of the OP EI, etc.)
- Other relevant macroeconomic, sectoral and regional statistics and analyses (CSO, MF of the CR, CNB, etc.)

1.4 Scope and objectives of the evaluation project

In accordance with the input, the project scope includes the following:

- to verify whether the specific needs defined in the PA and OP EIC programme document and responded by individual specific objectives are still current;
- to verify whether the strategies to achieve these objectives are relevant (in terms of the verification of the validity of theories of changes relating to SO of the OP EIC, including synergies and complementarities and territorial dimension);
- to evaluate the expected and achieved outcomes from the OP EIC in relation to the PA objectives;
- to evaluate the setting and functioning of mechanisms of S/C and territorial dimensions within the OP EIC.

The evaluation objective is to provide a basis for the MA of the OP EIC and the MRD-NAC to prepare the Progress Report. Based on the evaluations made, the contract acceptor also submits proposals and recommendations on the optimisation of settings of interventions and implementation of the OP EIC for the remaining part of the programming period 2014-2020.

1.5 Project realisation, and methodology applied

The subject to fulfilment has been prepared for 4 major stages and in accordance with the input contained in the tender documentation of the public contract concerned “OP EIC: Relevance of Development Needs, and Contribution to Fulfilling Partnership Agreement Objectives for the Period 2014-2016”.

Stage 0

The subject to this stage was the Contract for Work entered into between the contracting authority and tenderer. As of the effective date of the Contract for Work (4 January 2017), the performance of the public contract was commenced. On the same day, a kick-off meeting was held in the presence of representatives of both parties to discuss details of the work schedule as well as the manner of communication.

Stage 1

In the framework of Stage 1 of the project, attention was primarily focused on the collecting and subsequent sorting of available data sources (publicly available documentation, non-public data sources provided by the contracting authority, and individual consultancies). At the same time, stakeholders were analysed, and based on the findings, the methods of work with data were specified. The output of Stage 1 of the contract performance was the Input Report that was submitted by the contract acceptor to the contract giver within the deadline according to the concluded Contract for Work.

Stage 2

Stage 2 of the evaluation was focused on the collection of primary data, work with secondary data sources, and on analytical part of the works. The first partial step included the analysis and evaluation of all relevant documents relating to the input and objectives of the contract - documents for PA, OP EIC and OP EI, manuals, evaluation outputs, studies, analyses and other documents. Further, it included the collection and analyses of data from secondary sources, primarily from the monitoring system, as well as of framework documents, legislation, information at the EU level, etc.

Unlike the original presumption, no field research has been made. The major reason therefor was the fact that pursuant to the previous agreement with the contract giver, the evaluation project was primarily based on the data obtained from the monitoring as at 31 December 2016 which the contract acceptor received early February. So, no sufficient time space was available to make their thorough analysis, and thus to carry out an associated methodical preparation and respective field investigations.

The other part of Stage 2 of the project was focused on the analysis and evaluation of obtained data. The essential part included the detailed analyses made according to selected methodical procedures.

The output of Stage 2 of the evaluation included the formulations of partial conclusions and findings from individual thematic areas of the evaluation project summarised in the Preliminary Report.

Stage 3

Stage 3 of the contract realisation included field investigations in form of a questionnaire survey among target groups of the OP EIC and in form of individual interviews with selected representatives of the implementation structure. Subsequently, the information in the Preliminary Report was updated using additional, new data. In addition, a summery evaluation of results of the analyses and investigations was made.

The texts in the Evaluation Report were subject to additional modifications and completed. Following the discussions within the realisation team, the evaluator made a corresponding summary and

formulated summarised conclusions and recommendations in form of the FR. At the same time this shortened version was compiled.

Upon request of the contracting authority, the contractor shall, in particular, present the evaluation results on the meeting of the Monitoring Committee of OP EIC and the WG Evaluation.

Stage 4

In the event that additional comments made after the work acceptances are received, the contractor shall edit the text of both the FR and its shortened version accordingly and adjusts the conclusions already formulated in accordance with the requirements of MMR-NCA or the EC and shall submit the updated output (FR) to the contracting authority. Upon request of the contracting authority, the contractor shall, in particular, present the evaluation results on the meeting of the Monitoring Committee of OP EIC and the WG Evaluation.

After all drawbacks are removed and the final updated version of the FR is approved, the contractor shall enter the necessary evaluation data in IS KP14+, "Evaluation" module.

2 Evaluation the OP EIC relevance in relation to the development needs (Part I)

The subject to this part of the evaluation project is to verify whether the particular needs of target groups of the OP EIC defined during the OP setting and responded by the OP are still current (i.e. to verify the relevance of the theory of change of individual SO).

Task:

To verify the validity of the situation analysis of problematic areas (and pillars thereof) that was made within the ToC of the OP EIC and to find whether the development needs of the PA responded by the OP are still current. If needed, changes shall be included or recommended. In addition, the coherence of settings and functionality of the theory of change shall be verified in practice.

Basis for the evaluation:

The PA text, OP EIC programme document and annexes thereof, texts of individual AP and texts of calls announced under the OP EIC, including accompanying documentation, are used as a basis for the evaluation.

Findings following the evaluation questions and tasks:

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments, recommendations
01.1	How does the programme respond through its interventions to specific needs described in PA and of target groups?		<p>In relation to selected relevant development needs identified in the PA, the OP EIC has defined specific objectives to achieve desirable changes. Each specific objective has its own intervention logic/theory of change prepared. These ToC define the activities or a set of activities, the implementation of which should directly lead to the achievement of a specific objective.</p> <p>The interventions themselves are realised through aid programmes/intervention groups. These are always unambiguously assigned to individual specific objectives of the OP EIC.</p> <p>The institute of aid programmes is, among other things, based on the law on the support of small and medium-sized enterprises and has been a proven tool of the public support in the CR for a long time.</p> <p>Each aid programme defines the following: the scope and purpose, authorized beneficiaries, terms and conditions, general particulars of the application for aid, form and amount of the aid, territorial dimension, and sanctions for failure to follow the terms and conditions.</p> <p>Applicants may apply for the aid within individual calls announced under the AP that specify rules and conditions of the participation in detail.</p>

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments, recommendations
			Relationships of the PA development needs and OP EIC interventions are illustrated in diagrams, see Annex 1 of the FR.
01.2	Are the needs described in the PA and responded by ToC still valid and relevant?	Y	Based on analyses made, the evaluator concludes that the development needs described in the PA and responded by ToC of individual SO of the PO EIC are still current and relevant. For problematic areas of the PA "Competitiveness of Economy" and "Infrastructure", new potential themes of aid have been identified (see chapter 3.1.2.2 of the FR).
01.3	Have any substantial changes in development needs occurred since the PA and OP EIC approval: If a change in development needs have occurred, describe it.	MN	In the evaluator's opinion, no substantial changes in development needs have occurred since the PA and OP EIC approval. Statement of the evaluator on individual development needs of the PA, as responded by the PO EIC, is contained in the FR text, chapter 3.1.2.2.
01.4	Is it necessary to update the PA or ToC based on such changes. If yes, specify 'how'.	N	In the evaluator's opinion, the PA does not need to be updated. Proposed partial modifications of texts of ToC of individual SO of the OP EIC are contained in Annex 4 of the FR.
01.5	Are there any weaknesses in the ToC that seriously falsify the ToC? If yes, how should be the given ToC element reformulated or replaced?	N	Based on analyses made, the evaluator concludes that the ToC of individual SO of the OP EIC do not contain any elements that would seriously falsify the ToC. Only partial drawbacks have been identified in the ToC of SO of the OP EIC. Particular proposals for their modifications or amendments in form of revisions and comments are contained in Annex 4 of the FR.
01.6	Does the theory of change identify the causes having the greatest impact on the given problem as problem causes?	Y	According to the evaluator's findings, the causes with the greatest impact on the given problems are identified as problem causes in ToC of individual SO.
01.7	Are there any areas requiring a modification of the programme document, other implementation documents, or of implementation in terms of the OP EIC strategic focus?	MN	The evaluator concludes that the existing OP EIC strategic focus is valid and current and that no substantial modifications of the programme document, other implementation documents, or of implementation need to be made in this context.

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments, recommendations
			Particular proposals for document modifications that are integral part of summarised recommendations of this evaluation are listed in Chapter 5 of this shortened version of the FR.
01.8	<i>Describe the changes in key context documents, on which the OP EIC was based?</i>		<p>In the period from the preparation of the OP EIC programme document to its subsequent approval, some key documents relevant to the OP EIC were subject to changes in form of their updates. At the same time some other new strategic documents relating to the OP EIC were compiled.</p> <p>The evaluator concludes that the needs identified in the aforesaid updated and new documents comply with the OP EIC strategic focus.</p>

3 Evaluation of the programme contribution to fulfilling the Partnership Agreement objectives, including evaluation of effectiveness, efficiency and economy (Part II)

The purpose of this part of the evaluation project is to review how the OP EIC has been contributing to the fulfilment of the PA objectives, while using its available financial allocation. As a very short time has passed since the beginning of programme realisation itself (announcement of the first calls), the evaluation is primarily based on the analysis of processes and documents and completed with a quantitative analysis of programme data that are available directly in MS2014+ system (indicators and their achieved values), and on other secondary data sources.

The objective of evaluation activities was to evaluate the status of fulfilment of specific objectives of the OP EIC and how they succeeded in contributing to fulfil the PA objectives. And to assess the impacts of settings of individual terms and conditions of calls announced within the OP EIC and, in relation thereto, the formulations of possible proposals of recommendations for a further stimulation of absorption capacities or for modifications of terms and conditions of upcoming calls within the OP EIC.

3.1 Adequacy of the OP EIC setting in relation to the ability to fulfil the set PA and OP objectives

Task:

To verify ToC of individual SO and to evaluate whether the selection of the cause of identified problems to be solved through OP EIC interventions is optimal in terms of identified development needs as well as of the achievement of specific objectives set. To assess whether the defined SO are set properly, and to propose possible changes.

Basis:

The evaluation is primarily based on the PA, OP EIC programme document and its Annexes, texts of ToC of individual SO, AP texts and texts of the calls announced under the OP EIC, including accompanying documentation and monitoring data generated from MS2014+.

Findings following the evaluation questions and tasks:

Seq. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
02.1	Is the ToC set optimally in terms of the defined PA objectives?	MY	The setting of ToC of specific objectives of the OP EIC can be considered as optimal to achieve the respective PA objectives with partial reservations. These are contained in the text of the FR and as comments and revisions of individual ToC, see Annex 4 of the FR.
02.2	Are the achieved and planned values of indicators relevant to expected outcomes of the Partnership Agreement?		When compared to the initial values, the indicators of outcomes for specific objectives of <u>Priority axis 1 of the OP EIC (relation to TO 1)</u> have shown a positive development, and the latest available data have confirmed the achievement of target values set for 2023. Since PAX 1 has shown practically no progress

Seq. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			<p>in fulfilling the values of output indicators so far, it is obvious that the achieved outcomes have exclusively resulted from the effects of external factors outside the OP EIC.</p> <p>When compared to the initial condition, the indicators of outcomes for specific objectives of <u>Priority axis 4 of the OP EIC (relation to TO 2)</u> have shown a positive development; nevertheless, target values set for 2023 have not been achieved yet. Since PAX 4 has shown practically no progress in fulfilling the values of outcome indicators so far, it is obvious that the achieved progress is exclusively based on the effects of external factors outside the OP EIC.</p> <p>As far as <u>Priority axis 2 of the OP EIC (relation to TO 3)</u> is concerned, the indicators of outcomes for SO 2.1 and 2.2 has shown a positive development when compared to the initial condition, which is most likely associated with the general economic recovery in the CR. As at the date of preparation of this report, no current data on outcome indicators for SO 2.3 and 2.4 were available. It can be assumed that the OP EIC interventions will contribute to the fulfilment of specific objectives of PAX 2 in future (and thus to TO 3 of the PA; nevertheless, in regard to the status of the OP EIC implementation, no sufficiently valid predictions can be made yet.</p> <p>In case of <u>Priority axis 3 (relation to TO 4 and 7)</u> a positive development trend in respective outcome indicators has been observed in all specific objectives of PAX 3 (except for SO 3.4 which is based on different methodics); nevertheless, no target values for 2023 have been achieved yet. In regard to the status of material progress in SO, it is obvious that the observed progress is exclusively based on the effects of external factors outside the OP EIC. It can be assumed that the realisation of projects supported from the OP EIC will contribute to the achievement of planned outcomes and specific objectives of PAX 3 in the years to come, and thus to the fulfilment of relevant PA objectives.</p>

Seq. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			However, no sufficiently valid predictions can be made yet.
02.3	Are the allocations assigned to individual intervention types adequate to achieve the set OP objectives?	MY	<p>The evaluation of the adequacy of allocations based on the current progress of the OP EIC implementation is essentially limited by the non-availability of data on values of project indicators from the submitted project applications, or projects with legal act issued. So, the evaluator could more or less use only the data on financial volumes of the aid shown the applications that are entered in MS2014+.</p> <p>Based on the available data and indicative calculations, it can be concluded that:</p> <ul style="list-style-type: none"> • The present financial allocation for SC 1.1 could be sufficient to achieve the expected targets provided that the supported projects ensure the fulfilment of target values of output indicators. • In regard to the absence of more detailed data on the status of SO 1.2 implementation, it is not now possible to review the adequacy of the allocation for this SO with a sufficient level of certainty. • At the moment it is neither possible to review - with a sufficient level of certainty - the adequacy of the allocation for SO 2.1 where no AP providing the aid in form of financial facilities have been commenced yet. • The present allocation for SO 2.2 can preliminary be deemed as being adequate. • The present financial allocation for SO 2.3 can be considered as sufficient to achieve the expected targets provided that the supported projects ensure the fulfilment of target values of output indicators. <p>The present financial allocation for SO 2.4 can be considered as sufficient.</p> <ul style="list-style-type: none"> • The allocation for SO 3.1 can be considered as adequate to achieve the targets. • The allocation for SO 3.2 can be considered as sufficient to achieve the objectives in terms of the number of

Seq. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			<p>supported projects; it is not possible to review with a sufficient level of certainty whether the allocation is adequate to fulfil the material targets.</p> <ul style="list-style-type: none"> • The allocation for SO 3.3 can be considered as adequate to achieve the expected objectives. • The allocation for SO 3.4 can be considered as sufficient to achieve the expected objectives. • The allocation for SO 3.5 can be considered as adequate to achieve the expected objectives. • At the moment it is not possible to review the adequacy of the allocation for SO 3.6 with a sufficient level of accuracy. It will, up to a great extent, depend on ensuring the compliance with the investment plan of a single beneficiary within this SO. • Since the implementation of AP High-speed Internet has not been commenced yet, it is not now possible to review the adequacy of the allocation for SO 4.1. • In terms of the supported projects, the allocation for SO 4.2 can be considered as sufficient to achieve the objectives.
02.4	Does the setting of calls under OP EIC correspond to the theory of change?	MY	<p>Based on the evaluator's finding, the setting of calls under individual AP corresponds to the theory of change.</p> <p>For a detail comparison of calls under the OP EIC to respective ToC, including partial non-compliances identified, please refer to the text of the FR and Annex 2 of the FR.</p>

3.2 Implementation of the OP EIC and the status of fulfilment of individual SO, review of announced calls and expected outcomes from selected projects

Task:

To make an analysis of the setting and present status of programme implementation and of the fulfilment of indicators of material progress. To analyse the target values of projects according to the Decision to Provide an Aid and, upon experience, according to the extent of withdrawing from the project realisation and the pace of realisation of similar projects realised in the past programming period within OP EIC, and to answer the respective evaluation questions.

Basis:

The values of selected indicators for a level of outputs and results relating to individual priority axes and specific objectives of the OP EIC have been used as a basis to evaluate ‘material progress’ of the OP EIC. The datasets generated by MS2014+ as at 31 December 2016 and obtained by the evaluator through the contract giver from MRD-NCA have been used as a basis for the evaluation. The aforesaid sets contain, among others, the achieved values of individual indicators as at the reference date as well as the values of the beneficiaries’ “obligation”, i.e. the data on projects/operations under a legal act issued.

In addition, the detailed data provided by the MA of the OP EIC and generated from MS2014+ as at 1 March 2017 have been used. These included data on individual projects/project applications submitted by applicants within the calls to have been announced so far under the OP EIC.

In order to make a comparison to the OP EI, the evaluator had also the available data on the financial progress in individual years of the programme implementation and the sets of quarterly aggregations of the OP EI indicators.

Findings following the evaluation questions and tasks:

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
02.5	Do the target values of indicators in the projects with a legal act indicate a continuous achievement of such values and given specific objective? From what information can such conclusion be derived?	MN	In regard to the data on projects with a legal act, the current status of the OP EIC in all SO is classified as carrying risks in terms of the achievement of target values of indicators of outputs and specific objectives. Since any datasets on project indicators cannot be generated from MS2014+ at this moment, it is not possible to make sufficiently qualified estimates of the expected development of material fulfilment of SO. Due to the late commencement of the OP EIC implementation and lengthy process of evaluation of submitted applications, the OP EIC, in general, has shown a very small material progress in terms of the fulfilment of target values of common and programme-specific indicators of outputs.

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			<p>For most aid programmes, the evaluation of projects submitted within the first calls has already been finished or is being completed.</p> <p>For more detailed information and comments structured according to individual PAX and SO, please refer to the text of the FR, chapter 4.2.2.1.</p>
02.6	Are the milestones set realistically? How should they be set?		<p>Based on the methods selected:</p> <ol style="list-style-type: none"> 1) The status of fulfilment of performance framework in <u>Priority axis 1</u> at the end of 2016 can be classified as carrying potential risks in terms of the achieved values of financial and output indicators. However, during the first two months of 2017 a considerable increase in values of obligations from supported projects was observed; so, the current status indicates a possible achievement of the 2018 milestones. The setting of milestones for this year can be considered as realistic. 2) The status of fulfilment of performance framework in <u>Priority axis 2</u> at the end of 2016 can be classified as carrying potential risks in terms of the achieved values of financial and output indicators. However, during the first two months of 2017 a considerable increase in values of obligations from supported projects was observed; so, the current status indicates a possible achievement of the 2018 milestones. The setting of milestones for this year can be considered as realistic. Nevertheless, one should bear in mind that these are still projects with a legal act issued recently. To fulfil the output milestone, it will be necessary to complete them physically by the end of 2018. The same applies to the milestone of the financial indicator, i.e. the reimbursement has to be made, and the costs have to be subsequently certified. 3) The status of fulfilment of performance framework in <u>Priority axis 3</u> at the end of 2016 can be classified as carrying potential risks in terms of the achieved values of financial and output indicators. However,

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			<p>during the first two months of 2017 a considerable increase in values of obligations from supported projects was observed; so, the current status indicates a possible achievement of the milestone of the output indicator in 2018. However, the status classification for the financial indicator fulfilment remains at “risk” level. The setting of the output indicator milestone for 2018 can be considered as realistic; in case of the financial milestone the currently set value seems to be too high at the moment. As at 1 March 2017, the volume of contracted operations amounted to about 35% of the level required to fulfil the 2018 milestone (i.e. 85% of the target value).</p> <p>Since the process of applications receiving in all AP of Priority axis 3 was taking place at the time of the compilation of this FR, the evaluator has not made any prediction of the financial progress in PAX 3 until 2018 (i.e. an estimate of the real value of the financial milestone for this year), because it would be burdened with a considerable level of inaccuracy.</p> <p>4) The status of fulfilment of performance framework in <u>Priority axis 4</u> at the end of 2016 can be classified as carrying potential risks in terms of the achieved values of financial and output indicators. However, during the first two months of 2017 a considerable increase in values of obligations from supported projects in SO 4.2 was observed; so, the current status indicates a possible achievement of the milestone of the output indicator for 2018. However, the status of the financial indicator fulfilment is classified as “unsatisfactory” for the time being. It can be derived from the current financial progress in SO 4.2 that the total volume of so far contracted operations within projects with a legal act will not be sufficient to fulfil the milestone of the financial indicator for 2018. Therefore, it will be necessary to promptly evaluate and approve the other applications</p>

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			submitted within already closed calls under AP ICT and Shared Services so that a sufficient absorption capacity can be created. At the same time a continuous reimbursement of costs by stages needs to be applied to most supported projects.
02.7	What should a schedule of drawing from funds and pace of the achievement of the OP EIC objectives be like so that the latter can be achieved safely and without losses of financial means due to failure to follow the rule n+3/n+2 or failure to achieve the milestones?		<p>The OP EIC Strategic Implementation Plan that is subject to annual updates includes, among others, a prediction of drawing from funds within the programme. This prediction takes into account (and that is how it should be) amounts that are higher than the drawing limit according to rule N+3.</p> <p>The indicative calculations made by the evaluator imply that the potential to fulfil the prediction for 2017 only exists in <u>Priority axis 2</u>. The tranche intended for the realisation of financial instruments will also have a positive influence on the prediction fulfilment.</p> <p>No sufficient absorption capacity to fulfil the prediction (not only) for 2017 has been found yet in the three remaining thematic Priority axes.</p> <p>If the MA's intention to reduce the maximum time period of project evaluation to 5 months is met in practice, it will be possible to think about the achievement of prediction for 2017 in <u>Priority axis 1</u> in terms of the volumes of funds with legal acts. As far as the other remaining years of the programming period are concerned, the evaluator is aware of the risk of the fulfilment of prediction concerning the drawing from funds in PAX 1. The reasons therefor are mainly the following:</p> <ul style="list-style-type: none"> a) currently, a limit of 20% of allocation for PAX 1 intended for large enterprises is almost fulfilled, and the absorption capacity of the SME does not seem to be quite sufficient for SO 1.1 programmes; b) an average size of projects for large enterprises is almost twice as big as the size of projects for SME – so, the drawing of the remaining part of allocation of PAX 1 only for SME places much greater demands on ensuring an additional absorption capacity; c) in the calls to have been announced so far within SO 1.2 aid programmes for which the receipt of applications was already

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			<p>ended, the interest of applicants (i.e. financial volume of funds in applications) has not achieved the allocations of the calls.</p> <p>In <u>Priority axis 3</u>, the pace of drawing from funds is very slow and the status can be classified as carrying risks to achieve the objectives and without losses of funds. Here, the funds volume covered by a legal act has only amounted roughly 9% of the prediction for 2017. If the applications with positive status are added to, the current total potential will only equal to roughly 30% of the prediction value for 2017. By the end of 2017 a legal act should have to be issued for a roughly 3.5 times greater number of projects when compared to the number of projects to have been supported by now.</p> <p>When considering the insufficient absorption capacity in all calls to have been announced so far in PAX 3 - except for call I of AP Low-carbon Technologies where, however, considerable delays have occurred in the process of application evaluation and where SO 3.4 has a little significance in terms of the total allocation within PAX 3 - the fulfilment of the prediction of drawing from funds for PAX 3 seems to be rather unlikely for the time being.</p> <p>In <u>Priority axis 4</u>, three calls with the ended receipt of applications are recorded - all of them in the programme ICT and Shared Services (SO 4.2). Even if we presume that all applications currently being evaluated be supported, it will not suffice to meet the PAX 4 prediction for 2017.</p> <p>For the programme High-speed Internet (SO 4.1), the announcement of the first call is scheduled for April 2017 and the receipt of applications is to be ended in August; thus, the issue of the first legal acts can more likely be expected in 2018.</p> <p>In regard to the aforesaid facts, the fulfilment of the prediction of drawing from funds for 2017 for PAX 4 in terms of the volume of funds with a legal act seems to be rather unlikely. Further development of the drawing from funds in PAX 4 will, up a considerable extent, depend on the situation in the programme</p>

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			High-speed Internet for which roughly 70% of total PAX 4 allocation is intended.
02.8	What changes need to be made in the OP setting or implementation?		Particular proposals of changes of the OP EIC setting and implementation are formulated in summary recommendations of the evaluation project solution in Chapter 5 of this shortened version of the FR.
02.9	<i>Is the principle of support for the functioning market satisfied during the OP EIC implementation? Are suitable forms of the support applied in the programme?</i>	MY	In October 2015, the analysis of the Preliminary Assessment of the OP EIC Financial Facilities, identifying the OP EIC areas (specific objectives) appropriate for the utilization of the Financial Facility (FF), was completed. Based on the preliminary review, the MA of the OP EIC has so far decided the FF utilisation in SO 1.2, 2.1, 3.2 and 3.5. Although the FF implementation itself in the meaning of respective calls announced to the applicants and the project realisation have not been commenced yet, it can generally be said that the principle of support for the functioning market is followed in the OP EIC and that suitable forms of the support are applied in the programme.
02.10	<i>What tools and stimuli may be used to solve potential insufficient absorption capacities in the OP EIC?</i>		Proposals of particular measures to increase the OP EIC absorption capacity are integral part of the recommendations formulated in Chapter 5 of this shortened version of the FR. In general, the following tools can be considered: 1. To maximally simplify the terms and conditions for the applicants in newly prepared calls. 2. To substantially expedite the processes of application evaluations and subsequent drawing from funds (applicable to all AP). 3. To actively and intensively support the absorption capacity in the programmes jeopardised by a lack of demand. 4. To effectively use the AP with excess demand to increase the total drawing of funds under the OP EIC; reallocation of a part of financial sources of the programme while respecting the rules set forth in the legislation and methodics.
02.11	<i>Is the partnership principle followed during the OP EIC implementation?</i>	Y	The partnership principle is followed sufficiently during the OP EIC implementation. The relevant partner institutions are represented in the Monitoring Committee of the OP EIC, in the Platform for the preparation

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Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments
			of calls as well as in other OP EIC working groups.

4 Evaluation of the validity of setting of synergies and complementarities (S/C) and of territorial dimension

This part of the evaluation is to verify the relevance of synergy and complementarity relations identified during the preparation of PA and OP EIC as well as of territorial dimension (TD), including ITI.

4.1 Evaluation of the relevance and possible results of synergy and complementarity relations

Synergies and complementarities at the level of priority axes, investment priorities or specific objectives of the programme are used to set particular complementarity and synergy relations that should complement one another or strengthen their effects and impacts. The relations between activities or particular projects, where particular synergies and complementarities are realised in the implementation phase, represent the lowest relation level.

The term “**synergy**” shall mean a material relation between two and more projects submitted to two or more programmes by the same or more applicants/beneficiaries, which current or immediately following action has a potential to bring a higher effect when compared to the sum of effects of each of the projects realised separately. An efficient coordination of such relations through functioning coordination mechanisms will increase the contribution to the fulfilment of objectives of individual ESI funds and strategic objectives of the Partnership Agreement. The synergies should be monitored at the level of projects, and represent a basis for their monitoring at the level of programmes and of the Partnership Agreement, as well.

Complementarity is a relation between the programmes co-funded from the ESI funds, between the programmes of ESI funds and tools of the EU or national programmes, between the programmes of objective 1 and objective 2 of ESI funds, within the framework of which similar, associated or follow-up interventions are designed that combine and complement each other. The complementarity can be characterised in terms (from the point of view) of:

- sectoral when a complementarity of interventions occurs within a comprehensive area, or a sector, as applicable;
- territorial when a complementarity occurs in interventions targeted on a different territory type;
- beneficiary/applicant when a complementarity occurs in interventions targeted on a different type of the beneficiary/applicant.

The mutual coordination will then result in a more comprehensive ensuring of needs/objectives. A partial objective is to prevent in parallel from the overlap of proposed measures/operations. The complementarity is monitored for the needs of evaluation of PA and individual programmes. The complementarity does not require any conditionality as to the realisation of a complementary intervention, and may be realised separately. For complementarities, no particular relationship of two and more projects is required.

Task:

To verify the validity of setting of OP EIC synergies and complementarities.

Basis:

The PA text (section 2.1), OP EIC programme document (section 8), non-mandatory OP EIC Annex 4 “Synergies and Complementarities” and texts of AP calls, in particular, represent the basis for the evaluation. From the methodical point of view, this area is primarily dealt with in *Methodical Guideline for Monitoring the Implementation of ESI Funds in the CR in the Programming Period 2014-2020* and *Methodical Guidelines for Calls Control, Evaluation and Selection of Projects in*

the Programming Period 2014-2020 as well as Methodical Opinion No. 5 to Methodical Guidelines for Calls Control, concerning the synergic calls.

Within field investigations, individual interviews with sponsors of individual PAX/SO have been made to verify and complete the information obtained during the analysis of document content.

Findings following the evaluation questions and tasks:

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments, recommendations
03.1	What impacts of S and C mechanisms can be expected/ are they positive and negative? Is the effect for project greater than as if no coordination in the area of S/C were made?		In the evaluator's opinion, it is not possible - in regard to the current status of the OP EIC implementation - to sufficiently review and evaluate the impacts of S and C mechanisms. However, real conditions exist for the achievement of positive effects of S and C relations in the OP EIC.
03.2	Are S/C relations identified in the programme so as to eliminate the overlaps and to get the most of synergies with other programmes? Are duplications eliminated?	MY	Based on the analyses made, the evaluator concludes that S/C relations are identified in the programme so as to eliminate the overlaps and duplications and to use the synergies with other programmes. A potential overlap has been identified with the National Programme Environment (NPE) in themes of innovative projects in the area of mobility and smart solutions in power engineering. The overlap has been identified at the level of authorized beneficiaries. In the NPE call, the projects may also be submitted by joint-stock companies in which more than 50% are possessed by a town/village or a region as well as by limited liability companies in which more than 50% are possessed by a town/village or a region, which are business entities. This type of applicants is also supported in AP Low-carbon Technologies of the OP EIC. Because the subject Priority Area 7 of the NPE "Innovative and Demonstration Projects" has newly been included in the NPE in 2017, it is an overlap on the part of the Ministry of Environment.
03.3	Do any real S/C effects exist that are not treated in the programme document?	Y	The evaluator recommends to complement the overview of S and C relations with the NPE (Priority area 7) and with new programmes of the applied research of the TA of the CR (Omega, Zéta, Éta, Théta); for detailed information, please refer to Annex 3 of the FR.

4.2 Evaluation of the relevance and possible results of the OP EIC in terms of territorial dimension, including ITI

Territorial dimension represents the possibility to concentrate the finances from ESI funds in specific types of territories supporting the competitiveness (depending on the development potential) of the CR and taking into account the levelling of territorial disparities. The purpose of applying the territorial dimension is to reflect the regional needs or regional differences in the programmes of ESI funds.

Task:

To verify the validity, the manner of reflecting and satisfying the territorial dimension when implementing the OP EIC.

Basis:

The objectives of and reasons for applying the territorial dimension are described and explained in more detail in the National Document applicable to the territorial dimension that is tied to the Strategy of Regional Development of the CR for 2014-2020 and focused on the coordination of interventions at the national and regional levels to ensure a targeted support for the balanced development of the territory through the programmes of ESI funds.

The manner of fulfilling the territorial dimension is contained in ToC of individual specific objectives of the OP EIC. The other materials used for the evaluation of TD in the OP EIC included the programme document and texts of individual AP calls.

Findings following the evaluation questions and tasks:

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments, recommendations
03.4	Does the territorial targeting of programme interventions comply with the identified needs? Or, has anything in terms of territorial aspect changed, e.g. is it necessary to target the interventions differently from the territorial point of view?	Y	In the evaluator's opinion, the territorial targeting of programme intervention complies with the identified needs. Most calls to have been announced so far reflect a specific approach to Czech regions with economic problems, namely in form of point advantages for projects to be realised in such regions. However, the evaluator has, in this context, identified a non-compliance of ToC with calls announced within SO 1.1 and 1.2 (also refer to Annex 2 of the FR) in terms of the territorial targeting of interventions. Since the territorial dimension to solve the problems in the area of the research and innovative system should be, according to the PA, defined through regional annexes to RIS3, the evaluator recommends to modify the text of ToC of SO 1.1 and 1.2 accordingly (refer to Annex 4 of the FR).

Pos. No.	Evaluation question / task	Evaluation (Y - Yes, MY - Mostly yes, MN - Mostly no, N - No, NR - Not relevant)	Comments, recommendations
			In case of announced calls within SO 3.1, 3.3, 3.5 and 3.6 the evaluator considers the point advantages provided for projects realised in the territory of regions with economic problems as superfluous and unjustified.
03.5	How do/should the ITI mechanisms increase the impacts of the OP EIC interventions?		<p>In regard to the current status of the OP EIC implementation, when the ITI mechanisms have not been realised in the OP EIC yet, it is not possible to sufficiently review and evaluate their impact on the programme for the time being. The first calls for ITI should be announced in Q1 2017, and the actual impacts of ITI mechanisms will naturally show themselves with a time delay. Therefore, the evaluator expects that the first results with a sufficient explanatory power could not be available in 2019 at the earliest.</p> <p>According to the assumption contained in the OP EIC programme document, the ITI should be primarily be focused on the realisation of larger strategic projects having a significant impact on the territories being solved; at the same time smaller projects that will suitably complement the larger ones may also be supported to achieve synergic effects.</p>
03.3	To what extent is the ITI mechanism efficient in the OP EIC context in terms of its benefits versus administrative burden?	N/R	No ITI mechanism was applied in practice at the time of preparation of this evaluation study (the first calls within selected ITI were currently under preparation), so it was not possible to make any evaluation of its efficiency in the OP EIC context for the time being.

5 Summary of conclusions and recommendations for the OP EIC until the end of the programming period 2014-2020

5.1 Major findings and conclusions

Based on the analyses made, the evaluator has arrived at the below-mentioned major findings and conclusions.

The key determinant of the made evaluation is the fact that the OP EIC implementation in the meaning of the first calls announced in aid programmes was commenced between May and June 2015, i.e. nearly one year and a half after the official start of the new programming period. As a result, a time delay occurred that was even greater than the time delay in the past OP EI for 2017-2013. Other significant time delays occurred in the stage of project evaluation and approval when the first legal acts started being issued for successful applicants during 2016 (mainly in its second half).

The aforesaid facts have a negative impact on the financial and material progress of the OP EIC in terms of due and proper drawing from programme allocations and fulfilment of the indicator values.

As a result, only a limited amount of information has been available to make all necessary analyses and estimates within the evaluation concerned, which affects its explanatory power.

Major findings and conclusions in relation to thematic areas of the evaluation:

I. Evaluation of the OP EIC relevance in relation to development needs

Based on the analyses made, the evaluator concludes that:

- 1) The development needs described in the PA, which are responded by ToC of individual SO of the OP EIC, are still current and relevant. For problematic areas of the PA “Competitiveness of Economy”, new potential themes to discuss have been identified:
 - connecting the companies that use the aid from R&DI projects with the system of supported export;
 - support the SME competitiveness in connection with the use of new technologies and ongoing digitalisation of the industry and entire economy;
 - insufficient knowledge on the part of enterprises to introduce more complex systems allowing to considerably increase the productivity by transferring the current production and services to a cyber-physical system.
- 2) No substantial changes in development needs have been made since the PA and OP EIC approval; so the PA does not need to be updated.
- 3) ToC of individual SO of the OP EIC do not contain any elements that would seriously falsify the ToC. Only partial drawbacks have been identified, and particular proposals for their modifications or amendments in form of revisions and comments are contained in separate Annex 4 to the FR.
- 4) ToC of individual SO mostly identify such problem causes that have the greatest impact on the problem concerned.
- 5) The present strategic focus of the OP EIC is valid and applicable; therefore, no essential modifications of the programme document, other implementation documents or of

the implementation are required in this context. Proposals for partial modifications of the documents are integral part of the summary recommendations of this evaluation.

- 6) In the period from the preparation to subsequent approval of the OP EIC programme document, some key documents relevant to OP EIC were subject to changes in form of their updates. At the same time some other, new strategic documents with relation to the EIC were compiled. The evaluator has confirmed the compliance of needs identified in such updated and new documents with the strategic focus of the OP EIC.

II. Evaluation of the programme contribution to fulfilling the Partnership Agreement objectives, including evaluation of effectiveness, efficiency and economy

1. Adequacy of the OP EIC setting in relation to the ability to fulfil the set objectives of the PA and OP

The evaluator concludes that:

- 7) The setting of ToC for specific objectives of the OP EIC can be considered as optimal for the achievement of respective PA objectives with partial reservations. These are listed in the text of the FR and in form of comments to and revisions of individual ToC in Annex 4 of the FR.
- 8) The outcome indicators of specific objectives of Priority axis 1 of the OP EIC (relation to TO 1) have shown a positive development when compared to the initial values, and the latest available data have documented the achievement of target values set for 2023. Since PAX 1 has not practically achieved any progress yet in terms of fulfilling the values of output indicators, it is obvious that the achieved outcomes have exclusively resulted from effects of external factors outside the OP EIC.
- 9) As far as Priority axis 2 of the OP EIC (relation to TO 3) is concerned, the outcome indicators of SO 2.1 and 2.2 have shown a positive development when compared to the initial status, which is most likely associated with the total economic recovery in the CR. No current data relating to the outcome indicators of SO 2.3 and 2.4 were available at the time of preparation of this report. It can be assumed that the OP EIC interventions will contribute to the fulfilment of specific objectives of PAX 2 in future (and TO 3); nevertheless, in regard to the status of the OP EIC implementation, no sufficiently valid predictions can be made now.
- 10) In case of Priority axis 3 (relation to TO 4 and 7) no progress in fulfilling the output indicators was found at the end of 2016. A positive development trend has been identified in all specific objectives of PAX 3 (except for SO 3.4 that is based on a different methodics); nevertheless, the target values for 2023 have not been achieved yet. In regard to the status of material progress in SO, it is obvious that the achieved progress is exclusively based on the effects of external factors outside the OP EIC. It can be assumed that the realisation of projects supported from the OP EIC in the next years will contribute to the achievement of relevant objectives of the PA. However, no sufficiently valid predictions can be made now.
- 11) The outcome indicators of specific objective of Priority axis 4 of the OP EIC (relation to TO 2) have shown a positive development when compared to the initial values; nevertheless, the target values for 2023 have not been achieved yet. Since PAX 4 has not practically achieved any progress yet in terms of fulfilling the values of output indicators, it is obvious that the achieved progress is exclusively based on the effects of external factors outside the OP EIC.
- 12) The evaluation of adequacy of allocations based on the ongoing realisation of the OP EIC is essentially limited by the non-availability of data on values of project indicators from the submitted project applications, or projects with a legal act issued. So, the evaluator could

use more or less the data on financial volumes of the aid listed in the applications recorded in MS2014+.

- 13) The present financial allocation for SO SC 1.1 could be sufficient for the achievement of expected objectives provided that the supported projects ensure the fulfilment of target values of output indicators.
- 14) In regard to the absence of more detailed data on the status of performance of SO 1.2, it is not currently possible to review the adequacy of the allocation for this SO with a sufficient level of certainty.
- 15) For SO 2.1, where any AP have been commenced yet to provide the aid in form of financial instruments, it is not possible to review the allocation adequacy with a sufficient level of certainty either.
- 16) In case of SO 2.2 the data have been distorted due to internal projects of CzechTrade and CzechInvest; the present allocation for SO can be considered as adequate.
- 17) The present financial allocation for SO 2.3 can be considered as sufficient to achieve the expected objectives provided that the supported projects ensure the fulfilment of target values of output indicators.
- 18) The present financial allocation for SO 2.4 can be considered as sufficient provided that the supported projects ensure the fulfilment of target values of output indicators.
- 19) The allocation for SO 3.1 can be considered as adequate to achieve the objectives.
- 20) The allocation for SO 3.2 can be considered as sufficient in terms of the number of supported projects to achieve the objectives; the adequacy of the allocation to fulfil the material objectives cannot be reviewed with a sufficient level of certainty.
- 21) The allocation for SO 3.3 can be considered as adequate to achieve the expected objectives.
- 22) The allocation for SO 3.4 can be considered as adequate to achieve the expected objectives.
- 23) The allocation for SO 3.5 can be considered as adequate to achieve the expected objectives.
- 24) The adequacy of allocation for SO 3.6 cannot be currently reviewed with a sufficient level of accuracy. It will, to a considerable extent, depend on the ensured compliance with the investment plan of a single beneficiary in this SO.
- 25) Since the realisation of AP High-speed Internet has not been commenced during elaboration of this evaluation study, it is not currently possible to review the adequacy of the allocation for SO 4.1 with a sufficient level of accuracy.
- 26) In case of SO 4.2 the allocation can be considered as sufficient in terms of the number of supported projects to achieve the objectives.
- 27) According to the evaluator's findings, the setting of calls within individual AP complies with the theory of change. For a detailed comparison of the OP EIC calls to respective ToC, including the identification of partial non-compliances, please refer to the text of the FR (chapter 4.1.2.4) as well as to Annex 2 of the FR.

2. Implementation of the OP EIC and the status of fulfilment of individual SO, review of announced calls and expected outcomes of selected projects

The evaluator concludes that:

- 28) Based on the data on projects with a legal act issued, the present status of all SO of the OP EIC is classified as carrying risks in terms of the achievement of target values of output indicators and specific objectives. Because no datasets for the project indicators can be

generated from MS2014+ during elaboration of this evaluation study, it was not possible to make any sufficiently qualified estimates of the expected development of material fulfilment of SO.

- 29) Due to time delays in the commencement of the OP EIC implementation as well as to the lengthy process of evaluation of submitted applications, the OP EIC, in general, has shown a small material progress in the meaning of the fulfilment of target values of common and programme-specific output indicators.
- 30) The status of fulfilment of the performance framework of Priority axis 1 at the end of 2016 can be classified as carrying potential risks in terms of achieved values of financial and output indicators. Yet, during the first 2 months of 2017 a considerable increase in values of obligations arising from supported projects was observed, so the current status indicates a possible achievement of 2018 milestones. The setting of milestones for this year can be considered as realistic.
- 31) The status of fulfilment of the performance framework of Priority axis 2 at the end of 2016 can be classified as carrying potential risks in terms of achieved values of financial and output indicators. Yet, during the first 2 months of 2017 a considerable increase in values of obligations arising from supported projects was observed, so the current status indicates a possible achievement of 2018 milestones. The setting of milestones for this year can be considered as realistic. But, it is necessary to bear in mind that these only include the projects with a legal act issued. In order to fulfil the output milestone, they have to be physically finished by the end of 2018. The same shall apply to the milestone of financial indicator, i.e. the reimbursement has to be made and the costs have to be subsequently certified.
- 32) The status of fulfilment of the performance framework of Priority axis 3 at the end of 2016 can be classified as carrying potential risks in terms of achieved values of financial and output indicators. During the first 2 months of 2017 a considerable increase in obligations arising from supported projects was observed, so the current status indicates a possible achievement of the milestone for the output indicator in 2018. However, the status of fulfilment of the financial indicator is still classified as “carrying risks”. The setting of the milestone for this year can be considered as realistic; in case of the financial milestone the current set value seems to be too high. As at 1 March 2017, the volume of contracted operations amounted to only about 35% of the level required to fulfil the milestone for 2018 (i.e. 85% of the target value).
- 33) The status of fulfilment of the performance framework of Priority axis 4 at the end of 2016 can be classified as carrying potential risks in terms of achieved values of financial and output indicators. However, during the first 2 months of 2017 a considerable increase in the values of obligations arising from supported projects in SO 4.2 was observed, so the current status indicates a possible achievement of the milestone for the output indicator in 2018. But, the financial indicator is still classified as merely “unsatisfactory”. It will be necessary to promptly evaluate and approve the other applications submitted in already closed calls of the AP ICT and Shared Services in order to create a sufficient absorption capacity. At the same time, it will be necessary to apply a continuous, stage-specific reimbursement of costs to most supported projects.
- 34) A potential to fulfil the predictions for drawing from funds for 2017 currently exists only in Priority axis 2. No sufficient absorption capacity to fulfil the predictions (not only) for 2017 has not been observed in the remaining 3 thematic Priority axes of the OP EIC.
- 35) If the MA intention to reduce the maximum time of the project evaluation to 5 months is met in practice, it will be possible to think about the achievement of the prediction for 2017 in Priority axis 1 in terms of the volumes of financial means under legal acts. As far as the

other remaining years of the programming period are concerned, the evaluator is aware of the risk when meeting the predictions for drawing funds in PAX 1.

- 36) In Priority axis 3, the pace of drawing from funds is very slow and the status can be classified as carrying risks to achieve the objectives and without losses of funds. The fulfilment of the prediction set for drawing from funds in PAX 3 seemed to be unlikely for the time of processing of this evaluation study.
- 37) The currently identified potential in Priority axis 4 seems to be insufficient to meet the prediction for 2017. Further development of drawing from funds in PAX 4 will, up to a considerable extent, depend on the situation in the programme High-speed Internet, to which roughly 70% of total allocation of PAX go.
- 38) During the OP EIC implementation the principle of the support for functioning market is followed, and suitable forms of the support are, or will be applied within the programme.
- 39) As far as the strengthening of the OP EIC absorption capacity, the following tools can be considered, in general:
- Maximum simplification of the terms and conditions for the applicants in newly prepared calls.
 - Substantial expediting of the processes of evaluation of applications and follow-up drawing from funds (applicable to all AP).
 - Active and intensive support of the absorption capacity in the programmes that are jeopardised by a lack of demand.
 - Effective utilisation of AP with excess demand to increase the entire drawing from funds within the OP EIC; reallocation of programme funds, while respecting the rules set forth in the legislation and methodics.
- 40) During the OP EIC implementation the partnership principle is followed sufficiently.
- 41) The ongoing realisation of the OP EIC is accompanied by several common problems:
- The process of project application evaluation is very slow;
 - The functioning of the monitoring system MS2014+ is insufficient;
 - The system of filling-in the electronic application forms in the software application IS KP14+ is demanding and not uniform;
 - The entire administrative burden of applicants has increased;
 - The environment is not stable in terms of methodics;
 - Methodical procedures for the evaluation of project economy are ambiguous and not transparent;
 - A limit of OP EIC financial allocation intended for large enterprises.

III. Evaluation of the validity of the settings of synergies and complementarities (SC) and of territorial dimension

1. Evaluation of the OP EIC relevance and possible results of synergy and complementarity relations

The evaluator concludes that:

- 42) In regard to the current status of the OP EIC implementation, it is not now possible to sufficiently review and evaluate the impacts of S and C mechanisms. Real assumptions exist that positive effects of S and C relations will be achieved in the OP EIC.
- 43) The S/C relations are identified in the programme so as to avoid overlaps and duplications and to use the synergies with the other programmes.
- 44) A potential overlap has been identified with the National Programme Environment (NPE) in themes of innovative projects in the area of mobility and smart solution in power engineering. The overlap was identified at the level of authorized beneficiaries.
- 45) The overview of S and C relations should appropriately be complemented with NPE (Priority Area 7) as well as with the new programmes of the applied research of the TA of the CR (Omega, Zéta, Éta, and Théta).

2. Evaluation of the OP EIC relevance and possible results in terms of territorial dimension, including ITI

The evaluator concludes that:

- 46) The territorial targeting of programme interventions corresponds to identified needs.
- 47) Most calls to have been announced so far reflect a specific approach to Czech regions with economic problems, namely in form of point advantages for projects to be realised in such regions. However, the evaluator has, in this context, identified a non-compliance of ToC with calls announced within SO 1.1 and 1.2 (also refer to Annex 2 of the FR) in terms of the territorial targeting of interventions. In case of calls announced in SO 3.1, 3.3, 3.5 and 3.6 the evaluator considers the point advantages for projects realised in the territory of regions with economic problems as superfluous.
- 48) In regard to the current status of the OP EIC implementation, when no ITI mechanisms have been realised in the OP EIC yet, it is not now possible to sufficiently review and evaluate their impact on the programme.
- 49) According to the assumption contained in the OP EIC programme document, the ITI should prevalingly be focused on the realisation of larger strategic projects having a significant impact on the territories being solved; in addition, smaller projects that will appropriately complement the larger ones may also be supported to achieve desirable synergic effects.
- 50) Because no ITI mechanism was employed in practice at the time of preparation of this evaluation study (the first calls within selected ITI were being under preparation), no evaluation of its efficiency in the OP EIC context could be made.

5.2 Recommendations

Following the findings and identified problems, in particular, the evaluator has formulated recommendations for the OP EIC until the end of the programming period 2014-2020. They are summarised in the following overview:

Table 1: Overview of Recommendations

Findings	Recommendations		
	Code	Description	Comments, details
I. Evaluation of the OP EIC relevance in relation to development needs			
New possible themes for support have been identified in the problematic areas of the PA “Competitiveness of Economy” and “Infrastructure”.	D.I.01	To consider whether the supported activities of the OP EIC be completed/extended by new themes.	These include the following themes: <ul style="list-style-type: none"> connecting the companies that use the aid from R&DI projects with the system of supported export (Export Strategy of the CR); support the SME competitiveness in connection with the use of new technologies and ongoing digitalisation of the industry and entire economy (Initiative Industry 4.0); insufficient knowledge on the part of enterprises to introduce more complex systems allowing to considerably increase the productivity by transferring the current production and services to a cyber-physical system (Initiative Industry 4.0).
Partial drawbacks have been identified in ToC of specific objectives of the OP EIC.	D.I.02	To consider modifications of texts of ToC in specific objectives of the OP EIC according to the evaluator’s recommendations.	Particular proposed modifications or amendments in form of revisions or comments are contained in Annex 4 of the FR.
II. Evaluation of the programme contribution to fulfilling the Partnership Agreement objectives, including the evaluation of effectiveness, efficiency and economy			
II.1 Adequacy of the setting of the OP EIC in relation to the ability to fulfil the objectives set in the PA and OP			
The setting of ToC of specific objectives of the OP EIC can be considered as optimal to achieve the respective PA objectives with partial reservations.	D.II.1.01	To consider modifications of texts of ToC in specific objectives of the OP EIC according to the evaluator’s recommendations	Particular proposed modifications or amendments in form of revisions or comments are contained in Annex 4 of the FR.
In regard to the current status of the OP EIC implementation and to the absence of data on values of project indicators from submitted project applications, or projects with a legal act issued, it is not possible to unambiguously review the adequacy of allocations assigned to individual types of interventions to achieve the set OP objectives.	D.II.1.02	To prepare a separate, and detailed analysis of the absorption capacity of the OP EIC to review and specify the preliminary conclusions of this evaluation.	

Findings	Recommendations		
	Code	Description	Comments, details
In the framework of SO 1.1, the evaluator has identified a non-compliance of ToC with all calls to have been announced so far, relating to territorial dimension.	D.II.1.03	To modify the text of ToC SO 1.1 acc. to the evaluator's recommendation.	Particular proposed modifications or amendments in form of revisions or comments are contained in Annex 4 of the FR.
In the framework of SO 1.2, the evaluator has identified a non-compliance of ToC with all calls to have been announced so far, relating to territorial dimension.	D.II.1.04	To modify the text of ToC SO 1.2 acc. to the evaluator's recommendation.	Particular proposed modifications or amendments in form of revisions or comments are contained in Annex 4 of the FR.
A non-compliance of ToC SO 2.4 with OP EIC programme document has been identified, relating to the territorial targeting.	D.II.1.05	To ensure the compliance of both texts.	The programme document states that SO 2.4 will be, in terms of territorial dimension, focused on the urban territory, where the ITI use is envisaged.
In call II of AP Smart grids I, a new activity has appeared, i.e. "comprehensive measures to improve the reliability, awareness and introduction of the balance and optimisation of the distribution systems operation", that is not contained in ToC SO 3.3.	D.II.1.06	To ensure the compliance of texts.	
In call II of AP Smart grids II, a new indicator 33504 has appeared, i.e. „New sets of control and communication elements“, that is not contained in ToC SO 3.6.	D.II.1.07	To ensure the compliance of texts.	
II.2 Implementation of the OP PIK and status of fulfilment of individual SO, review of announced calls and expected results of selected projects			
All three AP realised in the framework of SO 1.1, have shown a demand exceeding the call allocations; at the same time, the limit for large enterprises has already been fulfilled. A potentially insufficient absorption capacity to draw the remaining allocations and to achieve material objectives (after the set limit for large enterprises if fulfilled) has been identified on the SME's part.	D.II.2.01	To increase the involvement of large enterprises in PAX 1.	It is possible to consider an increased allocation limit for large enterprises in PAX 1, or SO 1.1 and/(or) a change in the approach to the definition of large enterprises according to DG Research and Innovation that applies a different structuring of enterprises by size to the implementation of the programme Horizon 2020: SME - up to 250 employees, "MidCaps" - up to 500 employees, "MidCaps" - up to 3,000 employees, and large companies. The evaluator believes that such segmentation clearly reflects the situation in the CR where there are many companies that do not comply with the definition of SME, but are not supranational corporations with a corresponding position in the international markets.
Call III in AP Innovation has been announced as continual.	D.II.2.02	To use round calls for AP Innovation.	The continual call is more convenient in terms of the evaluation process, for it allows to spread it over time, but on the other hand,

Findings	Recommendations		
	Code	Description	Comments, details
			it does not guarantee that only the projects with the highest quality will be supported. In AP Innovation, emphasis should be placed on the quality of projects to be supported. All the more so that the interest shown so far by the applicants has exceeded the allocations of calls.
In AP Application, a methodical 'incompleteness' of the rules for applicants has been identified, e.g. in the area of contracts to ensure the cooperation in the realisation of projects, and manner of including the consumables and components, in particular, to the price of investments in consumables, etc.	D.II.2.03	To prepare a new sample document/guidelines for applicants - a draft contract of cooperation, or to define the basic necessary requirements for the contract content, as applicable.	
	D.II.2.04	To complete the methodical environment for AP Applications following the analysis of the most frequently asked questions of the applicants.	
In AP Innovation vouchers, a low applicants' interest has been identified that might be caused by a high administrative burden associated with the application for aid in comparison to the overall effect of the aid.	D.II.2.05	To significantly simplify the administrative requirements associated with the applications for aid; the application of an internal project with CzechInvest as project holder shall be considered in this connection.	The system of internal project seems to be an efficient instrument of the aid for smaller enterprises.
In AP Partnership in Knowledge Transfer, a low applicants' interest, a low absorption capacity have been identified.	D.II.2.06	To consider a connection with other AP or to make an analysis of funding needs for the remaining part of the programming period and to reallocate the rest to other AP.	
In AP Infrastructure Services, a low absorption capacity has been identified.	D.II.2.07	After the evaluation of projects within call III is completed, a detailed analysis and an evaluation of the needs of the research and technological basis of enterprises shall be made; based on the results obtained, the further orientation of AP and allocation thereof shall be specified, and the funds shall be reallocated to other AP.	
The status of fulfilment of the performance framework of PAX 1 at the end of 2016 is classified as	D.II.2.08	To evaluate regularly (on monthly basis) the progress achieved in	

Findings	Recommendations		
	Code	Description	Comments, details
carrying potential risks in terms of the achieved values of financial and output indicators.		the implementation of PAX 1 with emphasis placed on financial and material indicators of the performance framework.	
	D.II.2.09	To place emphasis on continuous, stage-specific reimbursement of costs in the realised projects.	
	D.II.2.10	To sort the projects with issued legal acts by deadlines of their planned realisation and to pay increased attention, including active assistance and collaboration provided during the realisation, to the projects that are assumed to be finished in 2018, or early 2019 (with the possibility of an earlier completion).	
	D.II.2.11	If needed, timely limited services of external advisors shall be used to assist the selected beneficiaries to administer the projects and to finish their realisations in time and properly.	
In regard to the status of financial progress in SO 2.2, the current target value of the indicator “Number of enterprises receiving grants” seems to be rather oversized.	D.II.2.12	To consider a revision of the target value of output indicator for SO 2.2: “Number of enterprises receiving grants”	
In AP Training Centres, a low absorption capacity has been identified.	D.II.2.13	Not to continue realising the individual AP. To reallocate the funds to AP Real Estate and to link the activities targeted to the infrastructure for education to the terms and conditions of AP Real Estate (e.g. point advantages).	The recommendation complies with the previous findings and proposals (e.g. Medium-term evaluation of OP EI 2007-2013, Ex-ante evaluation of the OP EIC). The cooperation of enterprises and schools in the area of practical education can be supported, e.g. through a tax framework (motivation based on an appropriately set system of tax base deductions to support vocational education).
The status of fulfilment of the performance framework of PAX 2 at the end of 2016 is classified as carrying potential risks in terms of the achieved values of financial and output indicators.	D.II.2.14	To evaluate regularly (on monthly basis) the progress achieved in the implementation of PAX 2 with emphasis placed on financial and material indicators of the performance framework.	

Findings	Recommendations		
	Code	Description	Comments, details
	D.II.2.15	To place emphasis on continuous, stage-specific reimbursement of costs in the realised projects.	
The status of the performance of SO 3.1 at the end of 2016 can be classified as carrying (high) risks in terms of the achieved values and indicators of obligations to achieve the planned material targets/output.	D.II.2.16	To consider a revision of the target values of indicators for SO 3.1.	
In AP Renewable Energy Sources, a low absorption capacity has been identified.	D.II.2.17	To set a sufficiently motivating system to combine the investment and operational aids.	
	D.II.2.18	To reallocate a part of funds to other SO/AP.	
In AP Energy Savings, an insufficient absorption capacity has been identified, and the status of the performance of SO 3.2 at the end of 2016 can be classified as carrying risks in terms of the achieved values and obligations of indicators obligations to achieve the planned material objectives/outputs.	D.II.2.19	To increase the involvement of large enterprises in this AP.	
	D.II.2.20	To consider a premature termination of application receipt within currently opened call II of AP Energy Savings and to announce an extraordinary new call with modified terms and conditions for applicants, reflecting the recommendations of this evaluation.	
	D.II.2.21	To allow for the realisation of 'network' projects.	The network projects represent a very efficient tool to fulfil the objectives of programme Energy Savings in the area of energy efficiency. Administrative burden imposed on the applicants will be reduced.
	D.II.2.22	To strive as much as possible for the involvement of projects/investments realised in the plants with a heat output over 20 MW (after refurbishment); to apply the prohibition to provide the aid in favour of such plants (sources) to the least possible extent.	
	D.II.2.23	To lead further negotiations with the EC about the possibility of aid for sources that are subject to the Industrial Emissions Directive.	

Findings	Recommendations		
	Code	Description	Comments, details
	D.II.2.24	To add the commercial touristic facilities to the circuit of beneficiaries in SO 3.2.	A revision of the programme document that has so far prohibited to support of commercial touristic facilities, in general, would be needed in this connection.
	D.II.2.25	To make overall revision of evaluation criteria of AP Energy Savings.	In the evaluator's opinion, the set point advantages, in particular, for proven permanent energy savings have not complied with the current reality any more when the potential of such projects in the markets is rather exhausted, while the remaining potential is limited by other restrictions stated above.
	D.II.2.26	To allow to provide aid for combined measures that cover the installation of a photovoltaic system, solar thermal panels, modernisation of lighting systems and application and modernisation of measurement & control systems.	
	D.II.2.27	To create terms and conditions for solving the complex energy saving measures in enterprises based on the concept "Design&Build".	Investor/contract giver shall state a basic technical concept in its input, i.e. they shall only specify the purpose, standards, scope and performance criteria of the fulfilment. This method brings potential benefits in form of the involvement of the technical invention of the contractor, reduced occurrence of changes during the building works due to errors in the design documentation, reduced duration of the project, and full responsibility of one contractor. But the use of this method shall also mean, among other thing, that the documentation for a building permit and for subsequent obtaining of the same is ensured by the selected supplier within its performance.
In call II of AP Smart grids I, some terms and conditions have been modified to strengthen the absorption capacity.	D.II.2.28	For the evaluation of applications in call II, a targeted analysis of the absorption capacity shall be made for SO 3.3, and subsequently, if needed, the funds shall be reallocated.	
Because of the lengthy process of the evaluation of applications submitted in call I of AP Energy Savings in Heat Supply Systems (HSS), some successful applicants have faced problems when keeping the latest possible deadline of the end of realisation stated in the call.	D.II.2.29	To allow to extend the project realisation beyond the latest deadline set for the end of project in the call.	The terms and conditions for applicants and beneficiaries permit this possibility in cases of objectively unpredictable circumstances. Since the rules for applicants do not state any unambiguous and bidding time periods for individual processes of evaluation and approval of applications, the applicant cannot predict sufficiently objectively the schedule of project realisation. Thus, time delays in

Findings	Recommendations		
	Code	Description	Comments, details
			the process of evaluation of applications can be considered by the applicant as an unpredictable circumstance.
Currently opened call II of AP Energy Savings in HSS is of round type. Since the preparation of applications for this AP is demanding in terms of administration and time requirements, a risk exists that all applications being processed will not be completed and submitted in time.	D.II.2.30	To identify potential applicants, or to communicate applications being processed with applicants on continuous basis; if the deadline to submit the applications is to be compromised by the applicants, an extraordinary call to announce shall be prepared so that such projects can be submitted within that call.	
	D.II.2.31	After the applications within call II are received and evaluated, a targeted analysis of the absorption capacity for SO 3.5 shall be made, and the funds shall be subsequently reallocated, if needed.	
The absorption capacity of SO 3.6 is fully dependent on the only authorised beneficiary.	D.II.2.32	To communicate with the beneficiary on continuous basis, to appropriately align the terms and conditions, overall performance of the AP Smart grids II with the needs and possibilities thereof, while respecting the OP EIC objectives in this area.	
The status of fulfilment of the performance framework of PAX 3 at the end of 2016 is classified as carrying potential risks in terms of the achieved values of financial and output indicators.	D.II.2.33	To evaluate regularly (on monthly basis) the progress achieved in the implementation of PAX 3 with emphasis placed on financial and material indicators of the performance framework.	
	D.II.2.34	To maximally expedite the process of evaluation and approval of applications for aid.	
	D.II.2.35	To place emphasis on continuous, stage-specific reimbursement of costs in the realised projects.	
The status of the performance of SO 4.1 at the end of 2016 can be classified as carrying (high) risks for	D.II.2.36	To maximally expedite the administration of AP High-speed Internet.	

Findings	Recommendations		
	Code	Description	Comments, details
the achievement of planned material objectives/outputs.			
The status of fulfilment of the performance framework of PAX 4 at the end of 2016 is classified as carrying potential risks in terms of the achieved values of financial and output indicators.	D.II.2.37	To promptly evaluate and approve the other applications submitted in already closed calls of the AP ICT and Shared Services.	
	D.II.2.38	To place emphasis on continuous, stage-specific reimbursement of costs in the realised projects.	
	D.II.2.39	If needed, to use timely limited services of external advisors who will assist the selected beneficiaries to administer the stage-specific applications for reimbursement, in particular, in timely and properly manner.	
Other, cross-cutting themes and problems related with the OP EIC implementation			
The process of evaluation of project applications is very slow.	D.II.2.40	To strengthen the absorption capacities for the evaluation of applications, to use external evaluators.	
	D.II.2.41	To set time periods of individual processes in the documentation for calls (in the rules of applicants and beneficiaries), i.e. from the submission of the project application to approval of the same. The said time periods shall be integral part of the binding methodics and shall be followed.	The documentation for calls does not specify any unambiguously stated time periods of individual processes for the providers of subsidies. It causes an uncertainty on the part of applicants who cannot plan the project schedule with sufficient accuracy. The process of evaluation of applications that is disproportionately long may result in the situation when some projects cease to be current (the applicants have withdrawn from their realisation, or their realisation has become a risk in regard to the latest deadlines stated in the call). It has a negative impact on the absorption capacity of the programme.
Functioning of the monitoring system MS2014+ is insufficient.	D.II.2.42	Through MRD-NCA to strive for ensuring the full functionality of MS2014+	
The system of filling-in the electronic application forms in the software application ISKP14+ is demanding and not uniform.	D.II.2.43	To get the feedback from users of ISK14+ on continuous basis and to ensure an optimal technical solution of identified problems in collaboration with MDR-NCA.	

Findings	Recommendations		
	Code	Description	Comments, details
The entire administrative burden of applicants has increased.	D.II.2.44	To cancel to duty to attach an item budget to the application for aid.	
	D.II.2.45	To limit the required extent of entered information on ownership structure (e.g. only to the 2 nd level of ownership). In justified cases other additional information may be required from the applicants.	The existing system of providing evidence of the ownership structure, where the latter is reviewed up to the level of ultimate owner, represents a considerable administrative and time-consuming burden for the applicants and has a negative impact on the absorption capacity of the programme. The recommendation is in accordance with the text of the OP EIC which presumes, within "Major principles for the selection of operations", that the applicants will be obliged to disclose their structure of ownership relations to a reasonable extent to comply with the principle of transparency and to avoid a potential conflict of interests.
The environment is not stable in terms of methodics.	D.II.2.46	To unify and disclose the interpretations of the most frequently asked themes by applicants.	
Methodical procedures for the evaluation of project economy are ambiguous and not transparent;	D.II.2.47	To cancel the evaluation criterion "Project economy" for calls of the OP EIC to be announced in future. To check the economy ex-post, within the administration of the applications for reimbursement. In terms and conditions of Decision to Provide Aid, a system shall be established for sanctions in form of reducing the aid in cases when the aid provider proves that the spent expenditures are not adequate to usual prices applied in the given location and time.	
In all of the second and other calls of the AP, the one-round model of evaluation has been established.	D.II.2.48	For other envisaged calls, the two-round model of evaluation shall be used again, particularly for such AP where more demanding investment projects are submitted.	The two-round system permits the eligibility of costs from the very moment of submitting the preliminary application, and thus to include a part of costs associated with the preparation of the application for aid in eligible costs. This measure is to strengthen the absorption capacity of the programme.

Findings	Recommendations		
	Code	Description	Comments, details
The terms and conditions for applicants specify a sustainability period of 5 years, even for SME.	D.II.2.49	In other envisaged calls, a sustainability period of 3 years shall be specified for SME.	This measure is to strengthen the absorption capacity of the programme.
III. Evaluation of the validity of settings of synergies and complementarities and territorial dimension			
III.1 Evaluation of the relevance and possible results of S/C relations			
A potential overlap has been identified with the National Programme Environment (NPE) in themes of innovative projects in the area of mobility and smart solution in power engineering.	D.III.1.01	To ensure a solution for the identified overlap in collaboration with NCA-MRD.	Because the subject Priority area 7 of the NPE “Innovative and Demonstration Projects” was newly included in the NPE in 2017, it is an overlap caused by the Ministry of Environment.
Some new S/C effects that are not treated in the programme document have been identified.	D.III.1.02	To supplement the overview of S and C relations with the NPE (Priority area 7) and with new programmes of applied research of the TA of the CR (Omega, Zéta, Éta, Théta).	
III.2 Evaluation of the relevance and possible results of the OP EIC in terms of territorial dimension, including ITI			
A non-compliance of ToC with calls announced within SO 1.1 and 1.2 has been identified in terms of territorial targeting of interventions.	D.III.2.01	To modify the text of ToC SO 1.1 and SO 1.2 according to the evaluator’s recommendation.	Particular proposed modifications or amendments in form of revisions or comments are contained in Annex 4 of the Final Report.
Because no ITI mechanism was applied in practice at the time of preparation of this evaluation study (the first calls within selected ITI are currently under preparation), it is not possible to make any evaluation of its efficiency in the OP EIC context for the time being.	D.III.2.02	To prepare a separate evaluation project focused on the evaluation of efficiency of ITI mechanisms in the OP EIC.	Preliminary estimated time of the preparation: 2019.