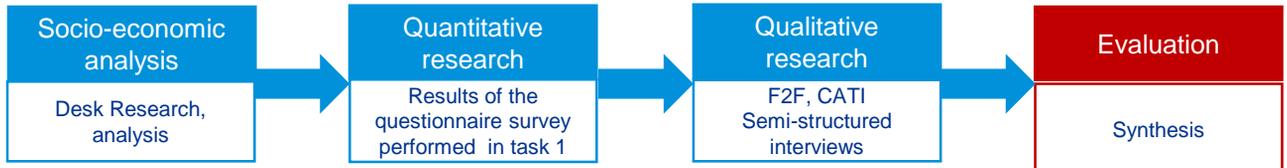


Background

Project name: „Evaluation of priorities and specific objectives implementation and verification of changes in development priorities of the program Interreg V-A Czech Republic – Poland“

Project objectives (of partial delivery 2): evaluation of the macroeconomic development in the program area, evaluation of the development needs of the program area on the basis of qualitative research and assessment of the relevance of the program priorities and objectives in relation to the analyzed development and identified needs of the program area.

Methodological approach to the evaluation:



The obtained information was analyzed by appropriate research methods. The information gained through the updated socio-economic analysis of the program area and synthesis with the information obtained through qualitative research methods provided relevant input that enabled to answer the evaluation questions.

Evaluation questions

Question no. 1: What are the main common problems of the program area that can be addressed through the European Regional Development Fund financial intervention? How these issues can be addressed through the financial intervention?

Statement: Main common problems of the program area (ranked by importance) are as follows: migration of highly educated and qualified residents from the program area, high long-term unemployment rate mainly in the structurally affected regions of the program area, increasing disbalance between the structure of the study fields and labor market needs, high unemployment rate in the age groups of 15-24 years and over 55 years, little interest of pupils in technical education, high long-term share of employees working in the secondary sector on the Czech side of the border and in the primary sector on the Polish side compared to the national average, limited cross-border ability to deal with emergencies and critical situations in the program area, poor technical condition of transport infrastructure, lower education of the program area residents compared to the national average (this issue should be addressed via OP Employment on the Czech side of the program area and OP Science, Education and Development on the Polish side) and insufficient touristic infrastructure in the border regions.

Question no. 2: Which of the main problems of the program area are solved by the intervention logic of the program? Are the problems solved in the right way?

Statement: Intervention logic of the program - selected objectives, priorities and supported activities potentially contribute to addressing all main problems of the area. Activities and goals settings can be considered as appropriate for problems and needs of the area. Intervention logic can be considered as adequately set in relation to defined problems and needs, their significance and the potential of ESIF instruments.

Question no. 3: What are the main opportunities for the program area that can be developed through the European Regional Development Fund financial intervention? How can be these opportunities developed through the financial intervention?

Statement: The main common opportunities of the program area are (ranked by significance): the potential of the program area from the tourism point of view (spa tourism, hiking, sightseeing), potential of cross-border cooperation between residents and enterprises in the program area (labor market, networking, tourism, holidays), study of technical fields with a perspective of employment in the program area, language skills of graduates as potential for employment on the other side of the program area, and increased regional mobility through the construction of backbone infrastructure.

Question no. 4: Which of the main program opportunities have been developed by the intervention logic of the program? Is the program developing the opportunities in the right way?

Statement: Intervention logic of the program - selected objectives, priorities and supported activities potentially develop all major opportunities of the area. Activities and goals settings can be considered as appropriate for major opportunities of the area. Intervention logic can be considered as adequately set in relation to defined potential of the area.

Question no. 5: Can the specific objectives of the program (in line with the conclusions of Questions 1-4) be assessed as relevant and valid?

Statement: The program and its objectives can be considered as a relevant instrument for addressing the needs and developing the potential of the program area.

Question no. 6: Are synergic and complementary links to other funding instruments still valid? If not, what synergic and complementary links should the program set up?

Statement: Neither Interreg V-A CR-PL operational program nor the common methodological environment define synergic links to other development instruments. At the same time, they define the extent of program complementary relationships ambiguously. Links to IROP (priority axes 1, 2, 3) and OP Environment (priority axes 1 and PO 2) can be considered as relevantly defined. At this stage of the evaluation, the evaluator does not consider useful to formally define other complementary and synergic links.

Recommendations on more effective targeting of the program

Recommendations on more effective targeting of the program

On the basis of the statements and findings resulting from the answers to the evaluation questions, the following recommendations were formulated with the aim for the more effective targeting of Interreg V-A Czech Republic - Poland.

Recommendation no. 1:

Maximize the potential of tourism in the program area by supporting the introduction of destination management and marketing principles.

Explanation of the recommendation:

As the "program area potential from the tourism point of view" was (based on multi-criteria analysis) assessed as the greatest opportunity of the area, it is necessary to redefine the targeting of the program so that the potential can be fully exploited. To make real use of current tourism potential, it is necessary to create appropriate conditions. A key prerequisite for maximizing the tourism potential is to support the introduction of destination management and marketing principles. This will not only result in a destination management setting but also in an attractive offer of tourism products. A key factor will be perception of the attractiveness of the destination so a prospective visitor chooses to spend his vacation on one of the destinations within the program area. Enhancement of the area and its attractions accessibility including cultural and natural wealth and heritage also represents a great stimuli for tourism development.

Recommended steps:

Current programming period :

- Preparation and announcement of a call for proposals within PA no. 2 supporting the implementation of destination management and marketing principles in the program area. The call should support destination management organizations and their projects focusing on implementation of marketing activities in the program area (promotion of historical, natural, cultural wealth and heritage). The preparation should be coordinated with the activities supported by the National Tourism Support Program of the MRD and the forthcoming categorization of the destination management organizations, which sets the rules.

Next programming period:

- Following the evaluation of the current program and taking the conditions of ESIF into account, tourism potential should be used more effectively for the development of the program area, mainly by spreading supported activities and increasing the financial allocation, e.g. via application of financial instruments (business entities in tourism - tourism infrastructure projects / construction of new tourist attractions), systematic support of destination management, etc.

What destination management means and how to apply it

A set of techniques, instruments and measures used for tourism coordinated planning, organization, communication, decision making and regulation in a given destination. The result of such a process is sustainable and competitive products of tourism, common shared logo, quality label, common (shared) information - booking system, pricing policy, research and statistical data collection, initiation of a partnership between the private and the public tourism sector and support for professional associations, clubs and organizations.

A platform for application of destination management is made by specific entities with different legal personality operating in defined area.

Especially local and regional DMOs should be supported by the program, both in the Czech Republic and in Poland. The support should be directed mainly to projects focusing on strategic and marketing activities linked to the area.

Support for strategic and marketing activities primarily addressed to DMO's leads to higher marketing efficiency within the area.

3C as a basic principle of destination management?

- ✓ **Communication** – continuous mutual exchange of information between tourism entities in the destination
- ✓ **Coordination** - providing the factual, financial, time and spatial compliance of organized activities in the destination by individual tourism subjects
- ✓ **Cooperation** – cooperation between tourism operators in the destination that creates synergies in the form of added value for the cooperating subjects.

Recommendations on more effective targeting of the program

Recommendation no 2:

Create conditions for intensive cooperation between schools and enterprises, particularly with emphasis on the importance of the Industry 4.0 concept, and also for making the technical education more attractive.

Explanation of the recommendation:

Given the fact that (on the basis of multi-criteria analysis) growing imbalance between the study field structure and the labor market needs, little interest of pupils in technical education and high unemployment rate in the age group of 15-24 years were identified as the most important issues of the program area, it is necessary to redefine the targeting of the program within the priority axes "Education and qualification". The recommendation is to create conditions for cooperation between schools and enterprises so that graduates are as competitive as possible in the labor market (curricula of the study programs should reflect the progress and trends in the labor market, include regular lectures by business experts, internships of pupils in companies, scholarship system, etc.). In order to make the cooperation of schools and businesses the most effective and efficient, it is necessary to establish such a relationship between companies and schools that enables potential applicants for subsidy to gain the most accurate information. Therefore, companies should be the owner of the activity, but they are not eligible beneficiaries. If the promotion of the program focuses on companies, they can generate demand of potential applicants, thus increase the number of project applications and the quality of approved projects. It is also necessary to focus on the globally emerging concept of Industry 4.0 (taking dynamic development in this area into account, modifying the study programs curricula in a way that will reflect full or partial automation of certain jobs) as well as making the technical education attractive to potential students of these fields. The cooperation within Industry 4.0 should stem from universities and enterprises which, in mutual cooperation, will come up with innovative solutions and subsequently put them into practice. The education-related recommendation covers possible adjustment of the program absorption capacity. It means to optimize often a very long approval process of project applications. It is advised to reset the northern boundary of the program area so that the cities of Katowice and Wrocław are included in the next programming period. These cities have a significant partnering potential for the implementation of the projects, and the fact that these cities are not included in the program area significantly reduces this potential.

Recommended steps:

Current programming period:

- Support cooperation between educational institutions and labor market institutions more efficiently through specific activities such as seminars for companies from the program area, presentation of cooperation good practice - case studies on various topics (Industry 4.0, technical education), more targeted activity of the joint secretariat towards the corporate sector and educational organizations, etc.

Next programming period:

- Consider the expansion of the program area by the Polish cities of Katowice and Wrocław that have significant but currently very little used potential for partnering in the implementation of projects under this program.
- Following the evaluation of the current program and taking the conditions of ESIF into account, the needs of program area should be emphasized within the concept of Industry 4.0 and expected higher demand for technical fields in next programming period. This should be done by focusing the program directly on the corporate sector (consideration of private entities as beneficiaries e.g. in synergy with future operational programs financed by the European Social Fund).

Recommendation no. 3:

Create conditions for increasing employment in the service sector (in the tertiary sector).

Explanation of the recommendation:

Given the fact that (on the basis of multi-criteria analysis) migration of highly educated and qualified residents from the program area, high long-term unemployment rate mainly in the structurally affected regions of the program area, high long-term share of employees working in the secondary sector on the Czech side of the border and in the primary sector on the Polish side compared to the national average were identified as the most important problems of the program area, it is necessary to redefine the targeting of the program. This will support conditions for job creation in the national economy sector of the greatest potential. Employment rate in the tertiary sector (service sector) has been growing steadily, with employment in this sector on the Czech and Polish side of the program area still by significant 5 percentage points lower than the national average of the country.

Recommended steps:

Current programming period:

- Preparation and announcement of the call for retraining of persons moving on the labor market (unemployed, employees working in non-perspective fields with expectations of reducing the number of employees). The persons should be trained in fields that are prospective and applicable in service sector linked to the program area (tourism and related services employees, creative industry employees etc.).
- Preparation and announcement of a call for professional practice for students of service sector fields, including support for individual work with talents within the framework of the PA no. 3.

Next programming period:

- Following the evaluation of the current program and taking the conditions of ESIF into account the future program activities should be more closely interconnected with programs financed by European Social Fund (high level of activity co-ordination, symbiosis at announcing calls for proposals) in order to strengthen the impact of these effects on labor market.



Recommendations on more effective targeting of the program

Recommendation no. 4:

Streamline the call for projects preparation and submitting process under Priority Axis no. 3

Explanation of the recommendation:

Given a relatively high rate of projects excluded on the basis of formal acceptability criteria in PA no. 3 (57% of applications), the evaluator suggests a supplementary, procedural recommendation.

In general, the purpose of call for proposals and its conditions preparation is to generate an adequate demand for the program supply. It should enable to support a sufficient number of high-quality projects meeting program objectives. Demand in the call for proposals should exceed the supply so that the allocation is contracted on high-quality projects and there is a reserve for terminated projects/applications. Therefore, applications excluded from the administration because of the formal acceptability represent unnecessary burden on the administrative system, bring no benefit to the program's objectives, and for the applicants represent costs sunk in preparation of the application (and potentially negative reputation of the program).

In terms of administrative burden on the implementation structure and the applicants, it seems convenient to focus more closely on the communication of the projects effectiveness and the selection criteria of PA no. 3 within the target group of potential applicants and, if possible, to avoid high "mortality" of projects because of the formal criteria (especially if a low percentage of allocation is contracted).

Recommended steps:

Current programming period:

- Focus on communication of the projects effectiveness and selection criteria of PA no. 3 within the target group of potential applicants. If possible, avoid high "mortality" of projects caused by not meeting formal criteria (especially if a low percentage of allocation is contracted). If the high rate of project is non-compliant with the formal criteria and it is caused by insufficient number of project proposals fulfilling program objectives and specific objectives, the evaluator recommends engagement of alternative communication channels to support project proposals preparation - for example via more targeted cooperation with the corporate sector (which is a stakeholder naturally interested in quality of labor supply on the labor market).

Next programming period:

- Suggested steps for the next programming period in this area should be closely linked to the actions under Recommendation no. 2. This implies, above all, consideration of including private entities as beneficiaries. This step should be supported by implementation of communication activities towards target groups involved in PA no. 3.



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