

CZECH REPUBLIC
MINISTRY OF EDUCATION, YOUTH AND SPORTS

Operational Programme

EDUCATION FOR COMPETITIVENESS

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Introduction

Upon accession to the European Union (hereinafter referred to as “EU”), the Czech Republic has been given the opportunity to use the support provided within the scope of economic and social cohesion policy, the current form of which places a large emphasis on strengthening the competitiveness of the European Union countries and close interconnection with the Lisbon strategy objectives.

In the future, European society, and thus also Czech society, must cope with the dynamically evolving conditions in the global economy and the connected demands on the skills, knowledge and flexibility of each individual. Global competition and the variability of the labour market will force each individual to engage in lifelong learning. Under our conditions, the urgency of these challenges is simultaneously intensified by the fact that the Czech population is experiencing a demographic decrease and the labour market needs to replace the people who are retiring. An inability or lack of readiness to respond efficiently to these conditions may cause serious problems in the areas of labour employment and competitiveness of the Czech Republic, thus simultaneously jeopardizing the pace of economic growth.

The Czech Republic realizes the importance of supporting the development of human potential, which is one of the fundamental factors for sustainable economic growth of the “knowledge” economies of developed countries. In this context, the educational system must be perceived as one of the main pillars of future economic success and social cohesion. The educational system as a whole must be effective enough to increase the population’s education level and to enable the individuals (irrespective of their social conditions, various capabilities and expectations) to obtain and improve their key competencies, with the aim of strengthening their adaptability and flexibility on the labour market. Educational institutions must become modern centres of lifelong learning and partner co-operation.

With regard to the facts above, in relation to the strategic objectives of the National Strategic Reference Framework (NSRF – represents the basic programme document of the Czech Republic for using European Union funds in 2007-2013) and with regard to the high degree of complexity of the issue of education, the Czech Republic has prepared a separate “Education for Competitiveness” Operational Programme for the programme period 2007-2013 (hereinafter referred to as “EC OP”). This Operational Programme focuses on support in areas that will contribute to developing the potential of the Czech Republic’s population and to the creation of suitable conditions for education and learning. EC OP defines the focus and depth of interventions in the area of human resource development by means of education in all of its various forms with an emphasis on a comprehensive system of lifelong learning, on forming a suitable environment for research, development and innovation activities and on the stimulation of co-operation between educational institutions and the research and production spheres.

In terms of initial education, this programme will support activities focused on the improvement of quality in education (i.e. completion of curricular reform, elaboration and provision of comprehensive methodical support for the creation of Framework Educational Programmes – their innovation with the emphasis on development of key competencies of pupils, etc.), assurance of equal opportunities in education for all regardless of their disadvantage (e.g. health, economic, social, ethnic, based on sex or citizenship, etc.) and the increase of professionalism and social status of teachers, etc.

In terms of tertiary education, research and development, the programme will support activities focused on the modernization and greater appeal of tertiary professional education and higher

education, raising the profile and improving conditions for research and development staff, establishing mutual relationships between the respective entities – educational and research and development institutions, public and private sector, etc.

The area of further education includes activities focusing on the establishment of a system and institutional framework for the provision of further education, the inter-connection of initial and further education systems and the establishment of comprehensive lifelong learning system, an extension of the provision of further education including conditions facilitating mutual interaction of supply and demand in this area, preparation of Framework Educational Programmes of further education, teachers and tutors of vocational education within educational institutions, etc.

With respect to regional aspect, the EC OP has been prepared at the national level, i.e. NUTS 1. During its creation, all the basic documents specifying the basic priorities in the area of economic and social cohesion (ESC) on European and national levels were reflected. First of all, there are the Community Strategic Cohesion Guidelines¹ (hereinafter referred to as “CSG”), the main principles of which have been simultaneously applied when creating documents on a national level.

The basic national document for laying out the EC OP was the Czech Republic National Strategic Reference Framework 2007 – 2013, specifying priority axes and specific objectives. Additional underlying documents included the National Lisbon Programme 2005-2008 – Czech Republic National Reform Programme (hereinafter referred to as “NRP”), National Development Plan 2007-2013 (hereinafter referred to as “NDP”) and Economic Growth Strategy 2005-2013 (hereinafter referred to as “EGS”). Of the materials dealing specifically with human resource development, the most fundamental ones included Human Resources Development Strategy for the Czech Republic (hereinafter referred to as “HRDS”) and the subsequent Human Resources Development Strategy Implementation Programme (hereinafter referred to as “HRDS IP”).

From the perspective of meeting the NSRF objectives, EC OP provides primarily for meeting Strategic Objective II – Open flexible and coherent society and, to a certain extent, also Strategic Objective I – A competitive Czech economy. The EC OP itself is tied to the implementation of the NRP objective, which is explicitly expressed as a global objective.

In terms of the general financial allocation plan for the Czech Republic for the Convergence Objective in 2007 – 2013, 7% of the funds from EU structural funds have been allocated for the Czech Republic, i.e. EUR 1.811 billion. EC OP is an Operational Programme directly dealing with the issues relating to development of the Czech population’s potential by means of education. Settlement of this issue shall be supported by additional Operational Programmes as well, particularly Human Resources and Employment OP (hereinafter referred to as “HR&E OP”), which is funded from ESF, focusing primarily on supporting the employment of both employed and unemployed persons by creating jobs, through continued education and social integration of disadvantaged population groups. Investments into people through ESF interventions in the EC OP programme are tied to additional Operational Programmes, i.e. Research and Development for Innovation OP (hereinafter referred to as “R&DI OP”) and Enterprise and Innovation OP (hereinafter referred to as “E&I OP”), the interventions of which supported from the ERDF create suitable capacities for which the development of human resources and the related appropriate setting of interventions into education are crucial.

¹ Council Decision dated 6 October 2006 (2006/702/EC) on Community Strategic Cohesion Guidelines.

In accordance with Council Regulation (EC) No 1083/2006, Art. 11, and in accordance with Council Regulation (EC) No 1081/2006, Art. 5, the partnership principle is applied in the creation of EC OP. In order to prepare and process the Operational Programme, a broad working party has been set up, consisting of representatives from the Ministry of Education, Youth and Sports (hereinafter referred to as “MEY&S”) as the future Managing Authority, author, ex-ante evaluator, other engaged ministries, educational institutions, regional and local government, business sphere and other social partners (hereinafter referred to as “Working Party”). The Working Party held regular meetings, working versions were submitted for wide opponency proceedings, and two itinerant meetings were included into the works as well. The programme was presented to and discussed with the public at two public hearings as well. The EC OP version being submitted is the result of the above-mentioned creation process.

In order to ensure a logical follow-up, overall synergies and definitions in respect of other Operational Programmes, consultations with representatives of authors of the other Operational Programmes took place during the preparation. While R&DI OP supports the creation of infrastructure of the bidding side of research and development, EC OP supports activities resulting in the development of human resources in this area. E&I OP covers the area of intervention in favour of business entities, and EC OP supports the creation of a general framework of further education, which also serves for the development of the business sphere, related educational activities and co-operation of various entities. As compared to HR&E OP, EC OP focuses on improving the initial and further education in order to increase the flexibility and adaptability of individuals already present on the labour market or about to enter it, while HR&E OP supports labour market development and direct support to further education of the unemployed and persons threatened on the labour market, as well as the employed. It also contains the creation of systems to foresee changes in the labour market and the management of both gradual and sudden changes in employment.

The submitted programme document consists of five chapters. Chapter 1 contains an analysis of the current economic and social situation in the field of human resource development, education and conditions for the further potential enhancement of adaptability, employability and competitiveness of the Czech Republic’s population, including identification of weaknesses and strengths, threats and opportunities. Chapter 2 deals with EC OP strategy, including a description of the global strategic objective of EC OP, its specific objectives and the relationship between EC OP and strategic documents of the EU and the Czech Republic. Individual priority axis of the Operational Programme are described, and methods for solving problematic areas are outlined. Chapter 3 focuses on describing the priority axes and defines their objectives, primarily in relation to analysis of weaknesses and strengths. Assignment of suitable indicators is included as well. Implementation of the programme including control and audit, making payments, financial flow certification, monitoring, electronic information exchange, evaluation and publicity are described in Chapter 4. Chapter 5 defines financial provisions of the Operational Programme.

The Education for Competitiveness OP has been prepared in accordance with Council Regulation (EC) No 1083/2006 and Council Regulation (EC) No 1081/2006, and is in full compliance with Czech Republic Government Resolution No 175/2006 of 22 February 2006.

EC OP has passed both the internal and external amendment procedure. It was adopted by the Czech Republic Government on 28 June 2006, under Czech Republic Government Resolution No 821 and approved on 15 November 2006 under Czech Republic Government Resolution No 1302.

Rationale for Multi-Objective Focus of the Operational Programme

The Education for Competitiveness Operational Programme is drawn up as a multi-objective Operational Programme. The multi-objective focus concerns priority axes oriented on the establishment of a lifelong learning system framework and will be implemented by means of system projects at the national level across initial, tertiary and further education. The multi-objective focus also concerns priority axis for technical assistance. The EC OP managing authority shall ensure, through separate records on national projects covering both objectives (for which the pro-rata contribution is determined), that resources allocated for the Convergence Objective will not be used to finance interventions under the Regional Competitiveness and Employment Objective, and vice versa.

The main aspiration, with respect to concept, is the uniform preparation and implementation of educational policies within the entire Czech Republic. A multi-objective programme may thus finance principal national interventions and ensure that the system actions follow the same nature in both objectives both relevant for the Czech Republic territory.

The main aspiration, with respect to the programme's implementation, is the simplification of management, monitoring and checking the use of ESF resources given to the same activities under both respective objectives. Therefore, the uniform managing structure may efficiently ensure observance and control of the principle of non-transferability of financial resources between the objectives (Art. 22, 1083/2006) as well as the economical and optimally co-ordinated use of financial resources for both objectives.

I. Current Economic and Social Analysis in the Area of Education

This analysis of the social and economic situation in the area of education in the Czech Republic is the basic precondition for defining the strategy and channelling interventions from the European Social Fund into education, and improving human resource competitiveness in 2007-2013. This chapter provides a summary of key factors for the above-mentioned areas, identifying the most serious problems the Czech Republic has been coping with or will have to resolve in the next period. ESF interventions should focus on such indicated areas and offer solutions to improve the situation and eliminate threats to competitiveness, social and economic stability.

1.1 Normative Framework of Education in the Czech Republic

The key legal norms regulating the area of education in the Czech Republic include:

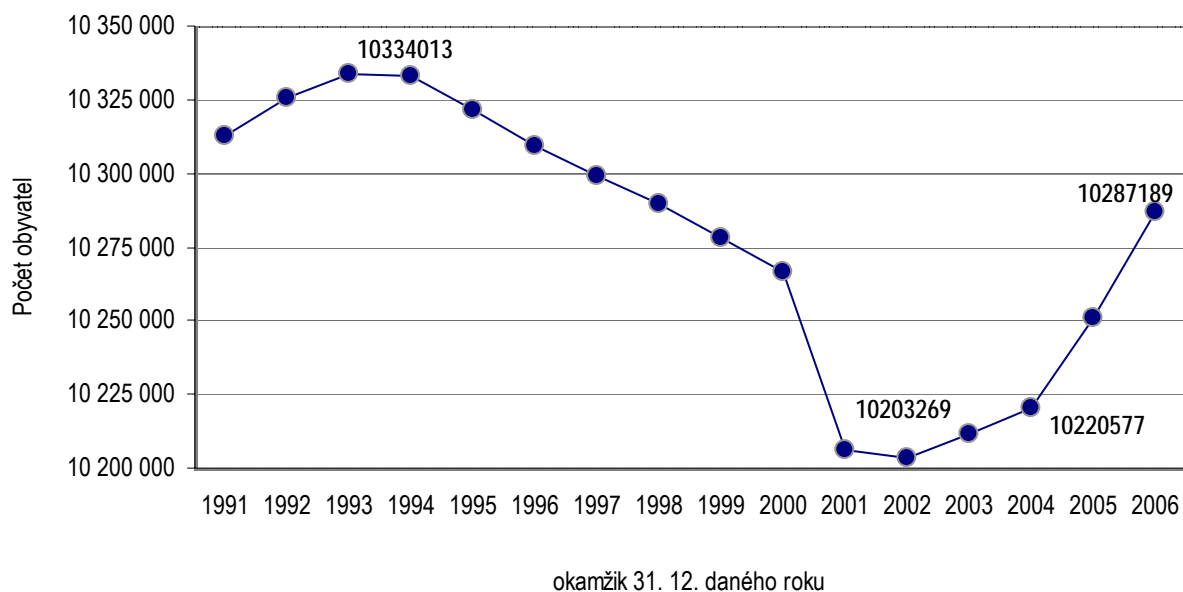
- Act No 561/2004 Coll. (of 24 September 2004), on pre-school, primary, secondary, tertiary professional and other education (the School Act), as amended by Act No 383/2005 Coll.
- Act No 563/2004 Coll. (of 24 September 2004), on teachers and amendments to some acts, as amended.
- Act No 552/2005 Coll. amending Act No 111/1998 Coll., on universities and on amendments and supplementations to other acts (the Universities Act), as amended.

1.2 Demographic Population Structure of the Czech Republic in Terms of Education

1.2.1 Demographic trend

The demographic trend significantly affects the dimensioning of the educational system, and subsequently manifests itself in the labour market by labour force supply in a various qualification structure.

In terms of the number of inhabitants, the Czech Republic experienced a continuous decrease from 1994 to 2002; from that point the total population has been growing slightly. The key element in the total increase is primarily the net positive migration, which outweighs the negative natural increase (in spite of its improving structure due to a higher birth rate in recent years).

Graph 1: Trend in Number of Inhabitants 1991-2006

Legend: Počet obyvatel = Number of inhabitants, okamžik 31.12. daného roku = as of 31 December of the respective year

Source: NPR for 2007-2013, working version

According to the Czech Statistical Office (hereinafter referred to as “CZSO”), the future trend in population will be characterised by an irregularity. A continued decrease that is likely to occur in the number and proportion of children in the population is one of the key features. According to the mean projection, the number of children aged 0-14 should experience a relatively rapid decrease in next several years, from the current 1.6 million to 1.4 million in 2010. This fact entails the risk of smaller choice, e.g. of individuals capable of completing their university studies and subsequently performing professionally demanding professions. Therefore, problems can be foreseen in respect of providing the labour market with a sufficient number of graduated professionals.

1.2.1.1 Age structure of population

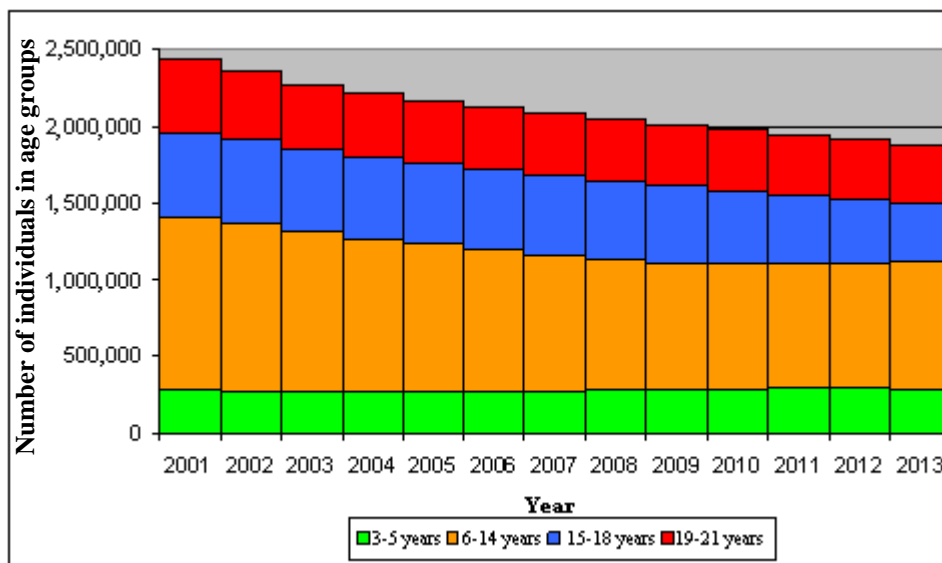
The age structure of the population of the Czech Republic has been subject to significant changes related to a drop in the birth rate and an increase in average life expectancy. The population of the Czech Republic has been ageing, with the children component (0-14 years) significantly decreasing. In the last decade there has been a decrease in the number of children by more than 420 thousand; on the other hand, the 65+ age group has grown in number.

1.2.1.2 Age group projection

Graph No 2 shows an obvious trend toward decreasing the total number of individuals in age groups (15-18 and 19-21 years); at primary schools, on the contrary, there will rather be a slight growth in the number of pupils in the time horizon of 2013. The decrease in the number of pupils in the current period applies particularly to primary school capacities and to a smaller extent to

secondary schools as well. The institutions of tertiary education² will be affected by the unfavourable demographic trend with a certain time delay.

Graph 2: Projection of Age Groups Relevant to Initial Education



Source: Long-term Development Plan for Education and Educational System in the Czech Republic, MEY&S 2005

1.2.1.3 Educational structure of the Czech Republic's population

The educational structure of the Czech Republic's population aged 15 and over features a high number of persons with secondary education. Women predominate in the category of persons finishing secondary education with a school-leaving examination, while men predominate in the category of secondary education completed with an apprenticeship certificate. The proportion of persons with primary education (or without education) has been continuously decreasing, and there is an increasing trend in the proportion of people with a higher education. In this category, there is a significant increase in women with higher education (11.6% in 2005 as compared to 5.4% in 1993); this growth trend is significantly reduced in men. In spite of this, the proportion of persons with higher education is still not at the level of EU countries (see Chapter 1.3.4.4).

As to the educational structure of the employed, we can see a positive trend relating to a growth in the category of persons with secondary education completed with a school-leaving examination and higher education, and, on the contrary, a decreasing number of employed persons with secondary education with an apprenticeship certificate or with primary education. These changes are fully associated with the changes in the educational structure of the population, and we can expect this trend to continue.

The following table provides an overview of the structure of the Czech Republic's population according to education level and age groups for 2005. The table shows that secondary education completed with an apprenticeship certificate was still the most frequent category (3,283,100), which in 2005 was also most frequently affected by unemployment. Out of the total number of 907,100 persons with higher education, 16,600 are unemployed.

² Tertiary education means both post-secondary vocational and higher education.

Table 1: Population and its Structure According to Education and Age Groups in 2005 (in Thousands of Persons)

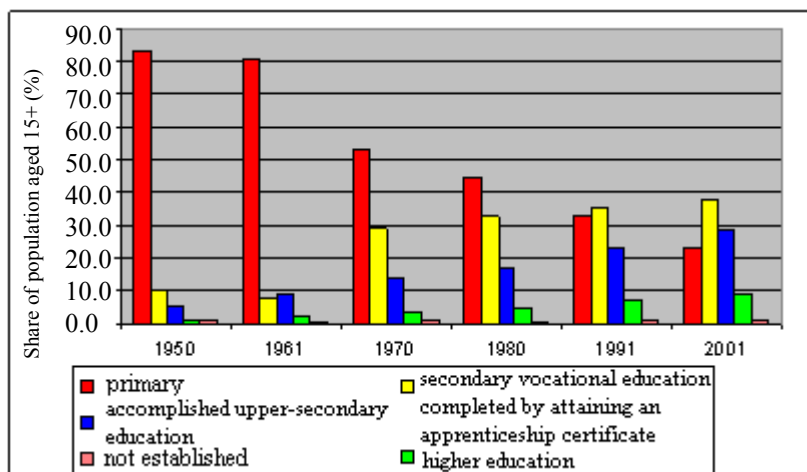
Indicator	Population in total	Of which					
		Active		Total	Inactive		
		Employed	Unemployed		Of which		
				Pensioners	Students	Maternity leave	
Total	10,229.3	4,764.0	410.2	5,055.1	2,212.3	858.0	161.9
Of which men	4,987.4	2,705.5	186.7	2,095.2	828.2	427.6	1.3
Of which women	5,241.9	2,058.5	223.5	2,959.9	1,384.1	430.4	160.5
Highest education level achieved							
Primary	1,733.5	271.5	98.9	1,363.0	716.4	565.9	8.2
Secondary completed by attaining an apprenticeship certificate	3,283.1	2,026.8	198.7	1,057.6	861.4	25.1	53.1
Secondary completed by a school-leaving examination	2,779.6	1,770.6	95.9	913.1	493.0	247.8	76.7
Higher	907.1	694.6	16.6	195.8	130.9	19.0	23.8
Without education	11.5	0.3	-	11.2	10.0	0.2	-
Children under 15	1,513.3	-	-	1,513.3	-	-	-
Not identified	1.3	0.2	-	1.1	0.6	0.1	0.1
Age groups							
0-14	1,513.3	-	-	1,513.3	-	-	-
15-19	654.8	32.6	25.2	596.9	1.8	584.9	0.1
20-24	702.2	338.4	63.3	300.5	5.0	239.8	12.7
25-29	876.2	639.2	59.3	177.6	9.3	31.7	70.2
30-34	841.9	670.5	50.5	120.9	11.3	1.3	58.1
35-39	686.5	587.3	42.0	57.2	12.6	0.2	16.5
40-44	679.4	593.7	40.7	45.0	19.9	-	3.9
45-49	689.5	600.3	41.9	47.4	31.5	-	0.1
50-54	779.0	641.3	52.5	85.2	62.0	0.0	0.1
55-59	771.0	475.0	29.0	267.0	248.3	-	0.2
60-64	590.0	131.7	4.1	454.2	443.7	-	-
65 +	1,445.6	54.1	1.7	1,389.8	1,366.9	-	-
Region							

Prague	1,173.1	615.2	22.4	535.5	232.2	101.2	18.3
Central Bohemia Region	1,148.6	550.6	30.4	567.7	252.1	90.0	19.3
South Bohemia Region	626.2	300.7	15.9	309.5	140.0	53.2	8.2
Pilsen Region	549.8	269.8	14.5	265.6	116.3	45.4	9.2
Karlovarsko Region	304.8	144.3	17.7	142.9	59.6	22.3	5.0
Ustecko Region	823.3	357.9	60.9	404.5	170.7	59.4	13.1
Liberecko Region	427.9	201.7	14.0	212.3	91.0	32.7	9.5
Kralovehradecko Region	547.3	257.0	12.9	277.4	123.2	49.6	7.6
Pardubice Region	505.2	235.3	14.1	255.8	105.4	42.5	6.8
Vysocina Region	515.5	236.7	17.2	261.6	113.5	49.0	6.7
South Moravia Region	1,125.7	513.9	45.2	566.5	257.3	98.7	18.4
Olomouc Region	635.9	282.8	31.4	321.7	141.0	55.0	12.6
Zlin Region	590.3	262.6	27.4	300.3	132.2	54.2	10.8
Moravia-Silesia Region	1,255.7	535.6	86.4	633.7	277.9	104.9	16.3

Source: Czech Statistical Office

It is also interesting to compare the trend in the educational structure of the Czech Republic's population since the 1950s, when relatively significant changes towards a higher level of achieved education occurred, as documented by the following graph:

Graph 3: Trend in Educational Structure of the Czech Republic’s Population



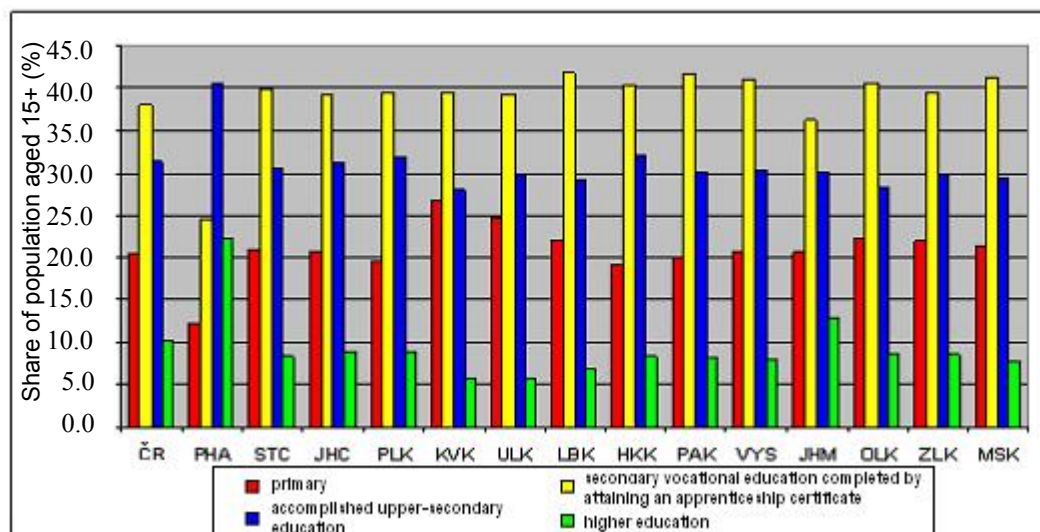
Source: Long-term Development Plan for Education and the Educational System in the Czech Republic, MEY&S 2005, adapted for the needs of EC OP.

The graph as above shows an obvious growth in the significance of secondary and higher education, which reflects the changing structure of the economy and continuous strengthening the importance of knowledge for the labour market. The educational structure is influenced by older age groups containing a large proportion of persons with a lower education level, whilst the number of university graduates did not start increasing until the early 1990s.

1.2.1.4 Educational structure of population in Czech Republic regions

The proportion of persons according to the highest achieved level of education is one of the basic indicators of the quality of the labour force.

Graph 4: Educational Structure of Population of the Czech Republic by Region (2005)



Source: LFS (Labour Force Survey), Czech Statistical Office for 2005

Legend: PHA – Prague, STC – Central Bohemia Region, JHC – South Bohemia Region, PLK- Pilsen Region, KVK – Karlovarsko Region, ULK – Ustecko Region, LBK – Liberecko Region, HKK – Kralovehradecko Region, PAK – Pardubice Region, VYS – Vysocina Region, JHM – South Moravia Region, OLK – Olomouc Region, ZLK – Zlin Region, MSK – Moravia-Silesia Region.

Table 2: Educational Structure of the Czech Republic Population by Region (2005)

2005	Primary	Secondary - with apprenticeship certificate	Secondary - with school-leaving examination	Higher
Prague	12.9	23.7	41.0	22.4
Central Bohemia Region	19.7	40.3	31.8	8.1
South Bohemia Region	20.1	38.6	32.6	8.7
Pilsen Region	20.2	39.3	32.0	8.5
Karlovarsko Region	26.4	38.1	28.6	6.9
Ustecko Region	24.4	38.4	31.2	5.9
Liberecko Region	21.7	41.8	28.7	7.7
Kralovehradecko Region	18.6	41.0	31.7	8.6
Pardubice Region	19.2	40.9	30.6	9.2
Vysocina Region	20.5	41.2	30.1	8.1
South Moravia Region	20.3	35.4	31.8	12.5
Olomouc Region	20.2	40.8	29.1	9.9
Zlin Region	20.7	39.5	30.6	9.2
Moravia-Silesia Region	22.2	40.9	28.5	8.4

Source: IIE, 2005

According to the Labour Force Survey (hereinafter referred to as “LFS”), in 2005 approx. 17% of the Czech Republic’s population aged 15+ achieved no education or only basic education. From a regional perspective the least favourable situation is in the Karlovarsko and Ustecko regions; in contrast the Prague and Kralovehradecko regions are the best off. Secondary education completed with an apprenticeship certificate exceeds 30% of the Czech Republic’s population, and shows a minimal variation range (excluding Prague). According to LFS, 8.9% of the population were university graduates, with the highest proportion of university graduates in the said period being in Prague (22.4%); the least favourable situation is in the Karlovarsko and Ustecko regions. The causes must be looked for both in the dominant position of the capital city Prague, in terms of university capacities and their long traditions, and also in the variety of job opportunities, which is further emphasized by the concentration of public administration authorities and control structures of numerous domestic commercial entities and countless national representations of foreign companies.

However, the statistics provided above do not show the significant differences in the educational structure at the micro-regional level. A study prepared in 2006 identified 167 areas in the Czech Republic with a socially excluded Roma community with 60,000 to 80,000 people (0.8% of the entire Czech Republic population). The highest concentration of such socially excluded areas is in the Ustecko and also Moravia-Silesia Regions. The proportion of people with only a primary education in these areas totals 90%.

1.2.1.5 Influence of educational structure upon employment and employability

In terms of employment, the most problematic group includes low-qualified workers and young people without experience, particularly school leavers and youths who have completed their primary school education and for whom it is difficult to employ themselves in the labour market. In June 2006, the proportion of persons under 25 years in the total number of job applicants was 17.2%. The highest-risk group are youths without education or with incomplete education or primary education. The most frequent causes of youth unemployment are primarily: insufficient practical experience, low qualifications, insufficient language knowledge, and incompatibility of

the school leavers' qualifications with the requirements for labour force qualifications on the labour market in terms of both structure and content.

Another problematic group is the group of elderly persons, i.e. persons aged 50+. These persons make up 26% of total unemployment and there is an increasing trend in this indicator. Very often, the inadequate education of these persons in relation to dynamically changing conditions on the labour market and missing working skills required for specific jobs are a significant cause of this condition. Moreover, the elderly workers group is the one that takes part the least in further education.

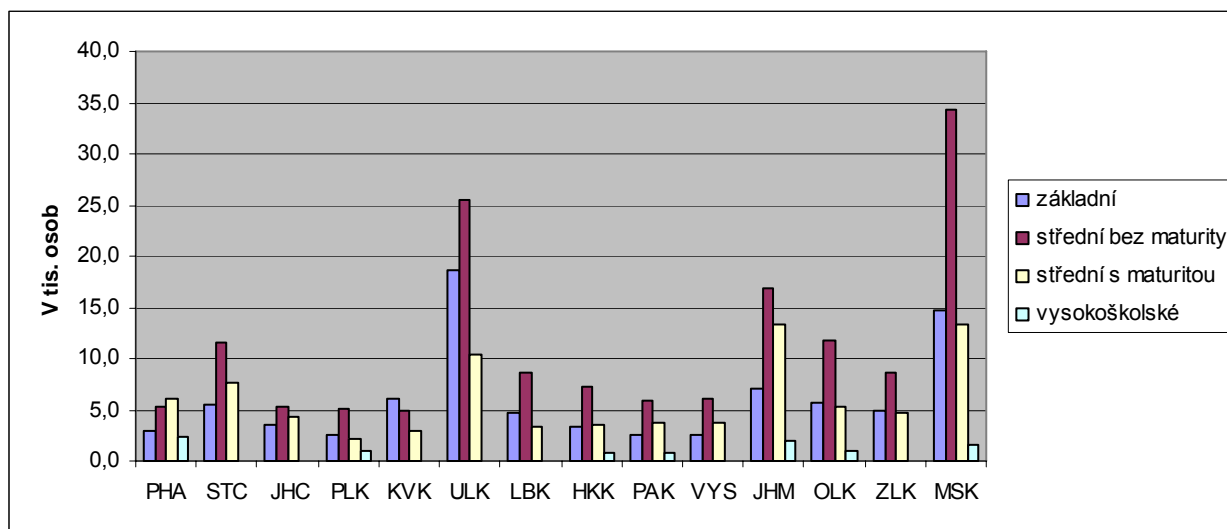
The problematic employability of workers with a low level of education achieved can be documented in the following table.

Table 3: Unemployment According to Education Level Achieved (Q2/2006)

Education level	Number	Proportion in %
Without education	853	0.2
Incomplete primary ed.	2,222	0.5
Primary ed.	142,195	31.5
Lower-secondary ed.	392	0.08
Lower secondary vocational ed.	9,697	2.1
Secondary vocational ed. completed by attaining an apprenticeship certificate	177,403	39.3
Secondary and secondary vocational ed. completed by attaining an apprenticeship certificate	4,427	0.9
Accomplished upper-secondary ed.	13,978	3.1
Upper-secondary ed. completed by a school-leaving examination and without attaining an apprenticeship certificate	64,406	14.2
Upper-secondary ed. completed by a school-leaving examination and by attaining an apprenticeship certificate	16,800	3.7
Tertiary professional education	2,309	0.5
Bachelor's studies	2,036	0.5
Master's studies	13,987	3.1
Doctoral studies	401	0.08
Total	451,106	100.0

Source: *Quarterly Unemployment Statistics, Q2/2006, Ministry of Labour and Social Affairs*

Graph 5: Regional Unemployment Rate According to Education (Q4/2006)



Source: VŠPS ČSÚ, 4th quarter 2006

Legenda:

V tis. osob – in thousands of people

Základní – Primary

Střední bez maturity – Secondary completed by attaining an apprenticeship certificate

Střední s maturitou – Secondary completed by a school-leaving examination

Vysokoškolské – Higher

Legend: PHA – Prague, STC – Central Bohemia Region, JHC – South Bohemia Region, PLK- Pilsen Region, KVK – Karlovarsko Region, ULK – Ustecko Region, LBK – Liberecko Region, HKK – Kralovehradecko Region, PAK – Pardubice Region, VYS – Vysocina Region, JHM – South Moravia Region, OLK – Olomouc Region, ZLK – Zlin Region, MSK – Moravia-Silesia Region.

Unemployment among people with primary education is highest in the Ustecko Region (18.7%) and Moravia-Silesia Region (14.6%), compared to the lowest rate in the Pardubice Region (2.5%), Pilsen Region (2.6%) and Vysocina Region (2.6%).

The highest number of unemployed with secondary education completed with an apprenticeship certificate is recorded in the Moravia-Silesia Region (34.4%) and Ustecko Region (25.5%) with a relatively high number in the South Moravia Region (16.8%). On the other hand, the lowest number of unemployed with this type of education lives in the Karlovarsko Region (4.8%) and Pilsen Region (5.1%).

Unemployment among the group with secondary education completed by a school-leaving examination is the highest in the Moravia-Silesia Region (13.4%) and South Moravia Region (13.3%), the lowest is then in the Pilsen Region (2.1%) and Karlovarsko Region (2.9%).

Unemployed people with higher education can be most frequently found in Prague (2.3%). In a number of Regions (Central Bohemia, South Bohemia, Karlovarsko, Ustecko, Liberecko, Zlin and Vysocina Regions) the proportion of this group of unemployed is very low, under 1.0%.

The above-provided information shows that the highest unemployment, in general, is in the Moravia-Silesia Region and Ustecko Region.

Table 4: Unemployment Rate in School Leavers in April 2006 (%)

2006	Lower secondary	Lower secondary – school-leaving exam	Secondary vocational school - school-leaving exam	General secondary school	Tertiary professional school
Czech Republic total	15.7	14.0	11.0	4.4	9.1
Prague	6.4	7.0	5.0	1.7	3.9
Central Bohemia Region	11.8	8.7	8.9	3.7	6.2
South Bohemia Region	11.3	10.7	8.7	3.2	8.7
Pilsen Region	7.7	7.1	7.4	4.7	8.7
Karlovarsko Region	13.1	14.7	11.9	4.2	0.0
Ustecko Region	22.7	16.9	14.9	8.8	9.1
Liberecko Region	11.0	7.9	8.5	3.3	13.6
Kralovehradecko Region	12.6	9.5	7.7	4.5	12.0
Pardubice Region	13,3	9.8	10.4	5.2	11.2
Vysocina Region	15,7	16.9	12.7	5.8	9.3
South Moravia Region	18,8	15.9	13.0	5.1	15.6
Olomouc Region	15.2	16.4	13.2	4.6	13.9
Zlin Region	17.6	18.4	12.5	3.2	9.8
Moravia-Silesia Region	27.2	24.1	17.4	6.4	11.1

Source: *Unemployment among school leavers from secondary and tertiary professional schools – National Institute of Vocational Education - 2006*

1.3 Education System in the Czech Republic

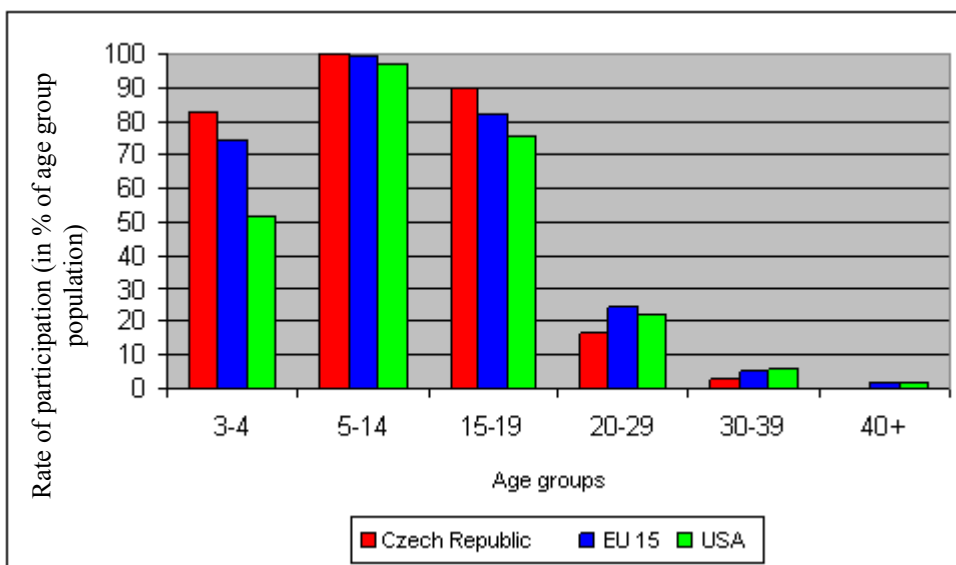
1.3.1 Length of education

Since 1999, the average length of education has increased from 15.5 years to 16.5 years in 2003; however, the Czech Republic still has a lower average length of education when compared with the EU.

1.3.2 Rate of participation in education

In terms of the rate of participation in education, there is a relatively solid rate (comparable to that of the most advanced OECD countries), particularly in primary and secondary education (practically a 100% rate of participation) for pupils and students aged under 20. However, particularly in the higher age groups and in higher education, there are already remarkable differences between the rate of participation in the Czech Republic, the EU average, and the most advanced OECD countries (see the following graph).

Graph 6: Rate of Participation in Education (in % of Population of the Relevant Age Group)

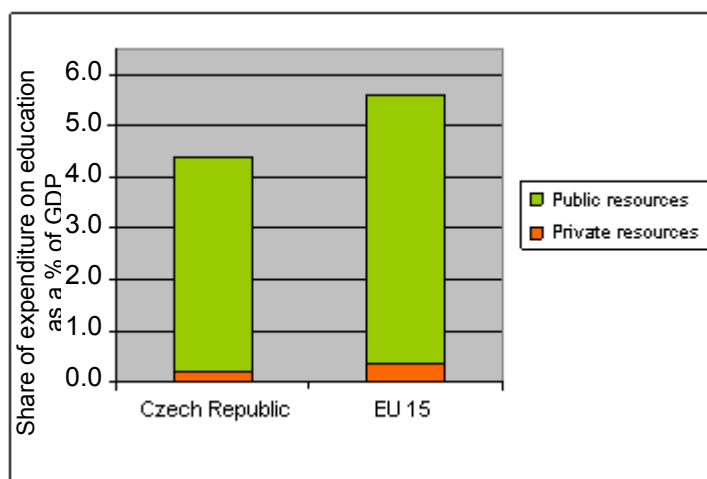


Source: OECD, Education at a Glance, 2005, adapted by DHV CR

1.3.3 Expenditure on education

In terms of expenditure on education, the Czech Republic still lags behind the European level – the average of the EU 15 is approx. 5.4% of GDP, while the proportion of resources spent in the Czech Republic is equivalent to 4.4% of GDP.

Graph 7: Expenditure on Education (as a % of GDP)



Source: OECD, Education at a Glance, 2005, data for 2002, adapted by DHV CR

1.3.4 System of initial education

1.3.4.1 Primary education

Access to primary education is universal in the Czech Republic, and the rate of participation in education at primary level is almost 100%. Children officially enter primary education at the age of six, but in fact 24% of the children are seven years old³ and 1% of them are five years old.

The expected number of primary school pupils (including schools for pupils with special educational needs, which represent approx. 4% of the total) should decrease from 2004/05 to 2013 by approx. 13.6% (by 130,400). There will be a decrease of approximately 3% of pupils at primary level, and almost one quarter of pupils in lower secondary education. The drop in pupils reflects not only a decreasing number of people in younger age groups of the population, but also pupils leaving for six-year and eight-year general secondary schools and conservatories, which represent an average level of 10% for the Czech Republic (out of pupils from the 5th and 7th class of primary school). Their number should decrease gradually from approx. 11,900 pupils today, to approx. 9 thousand pupils in 2013.⁴

In 2005/2006, there were 14.5 pupils per teacher (in all types of schools), with women predominant in the teaching staff (over 83.5%). The total capacity of primary schools reached 1.3 million places in the 2004/2005 school year, and 70.6% of which were utilized during this period. For optimum use (at least 80%) their total capacity would have to be reduced by 23.6%.⁵

The following table shows a list of the numbers of primary schools, pupils and teachers in the respective regions in the 2005/2006 school year.

Table 5: Regional Primary Schools in School Year 2005/2006 *)

	Primary schools	Pupils	Teachers
Czech Republic	3,741	881,676	63,158
Prague	215	81,246	5,770
Central Bohemia Region	466	98,547	6,990
South Bohemia Region	231	55,574	3,930
Pilsen Region	204	45,883	3,279
Karlovarsko Region	98	26,639	1,944
Ustecko Region	244	73,874	5,379
Liberecko Region	179	38,348	2,854
Kralovehradecko Region	252	48,599	3,568
Pardubice Region	231	45,805	3,241
Vysocina Region	251	48,364	3,431
South Moravia Region	441	96,666	6,873
Olomouc Region	280	55,411	4,097
Zlin Region	232	52,655	3,723
Moravia-Silesia Region	417	114,065	8,079

Source: CZSO – Statistical Yearbooks of the Regions 2006

*) Number of schools and pupils represents data for regular schools; number of teachers represents data for all schools (including special primary schools and primary schools at special educational institutes)⁶

³ Seven-year old children enter the educational system due to deferred compulsory school attendance.

⁴ Long-term Development Plan for Education and the Educational System in the Czech Republic 2005.

⁵ Long-term Development Plan for Education and the Educational System in the Czech Republic 2005.

⁶ Facilities of institutional upbringing

In international comparison, at the end of compulsory school attendance, pupils achieve average to above-average results in mathematics, above-average results in natural science subjects, and below-average to average results in the level of reading literacy (PISA 2003).

1.3.4.2 Education of individuals with special educational needs

Individuals whose impairment prevents them from achieving the relevant educational level through standard pedagogical procedures are educated at special schools. At present, the network of special schools and special educational institutes (including special and specialized classes at normal schools) is relatively consistent, providing accessibility for most disabled pupils. Disabled pupils are integrated into normal types of schools or into special or specialized classes within normal schools as much as possible.

The number of pupils at special schools has fallen slightly since 1995/96, which was caused on one hand by a drop in the population curve, and on the other hand by an increasing integration of disabled children (regardless of type of impairment) into normal schools.

In 2005/2006, 34.9 thousand pupils attended special schools. In total, 6% of children at the age of compulsory school attendance attend special schools. Over the years, the structure of special school pupils has changed according to the type of impairment as well. First of all, the proportion of mentally disabled pupils has decreased, but on the other hand the proportion of pupils with combined impairment has increased.

Although the proportion of mentally disabled pupils has been gradually decreasing, in the 2005/2006 school year it still represented 76.5% of special school pupils and special educational institutes, and 11% of pupils with combined impairment.

Pupils from socio-culturally disadvantaged environments frequently encounter educational problems despite their intellect giving them the capacity to achieve better educational results. The placement of Roma pupils into practical primary schools remains a relatively frequent phenomenon.

1.3.4.3 Secondary education

The low birth-rate in recent years will also affect the number of 15-year olds entering secondary schools during the 2007 – 2013 programme period. Interest in full-time secondary education for the age groups in question continues to rise.

The rate of participation of young people in secondary education is very high; in 2004/2005 it reached 92.4% of the proportion of 15 – 18 year olds, i.e. 96.5% including extended study. Thus, the target that the EU committed itself to achieve in the Lisbon process agenda by 2010 has already been exceeded.

There is a certain discrepancy between applicants and enrolled pupils for individual types of secondary schools. The interest in secondary education completed by a school-leaving examination has increased, while the interest in secondary education completed by an apprenticeship certificate has decreased significantly.

The need to raise the number of teaching staff increases with the growing number of students attending general secondary schools. It is necessary to balance the ratio of men to women in teaching staff, where an unreasonably high proportion of women persists. Without growth in the number of teachers, the number of pupils per teacher would increase disproportionately by 2013.

However, a general reduction in teaching staff should occur at secondary vocational schools in the given years. The capacity of general secondary schools was already almost 89% in 2003/04, and so must be increased. A solution would be to use the capacity released by secondary vocational schools, which were used at 76% in 2003/04 and where there is a need to reduce their number by approximately 8.8% by 2013, and particularly to use the capacity of apprentice centres, which are used at 70.6% and where the expected reduction of their number should reach almost 21%.

Table 6: General Secondary Schools, Secondary and Secondary Vocational Schools in the Regions during School Year 2005/2006*)

Czech Republic, Regions	General secondary schools			Secondary Vocational Schools			Lower Secondary Schools			
	schools	pupils	teachers	schools	pupils	teachers	schools	pupils	teachers	Vocational education staff
Czech Republic	350	144,348	10,980	798	224,408	18,273	548	189,742	18,099	9,059
Prague	60	24,087	1,976	95	32,439	2,546	50	19,138	1,654	783
Central Bohemia Region	34	12,924	974	75	19,029	1,522	57	15,772	1,644	850
South Bohemia Region	24	9,006	699	59	14,051	1,190	40	13,036	1,242	587
Pilsen Region	14	6,526	465	32	11,442	887	30	10,044	944	491
Karlovarsko Region	9	3,448	247	24	6,335	520	26	6,097	523	255
Ustecko Region	24	9,039	692	73	18,644	1,464	51	16,322	1,525	785
Liberecko Region	13	4,843	369	41	8,456	742	25	8,846	763	412
Kralovehradecko Region	18	7,485	555	51	12,247	1,020	34	9,903	986	501
Pardubice Region	20	7,204	534	42	11,418	937	32	8,712	862	443
Vysocina Region	18	6,871	509	39	11,068	909	31	10,189	979	476
South Moravia Region	40	18,171	1,385	83	23,794	2,022	48	22,871	1,942	887
Olomouc Region	20	9,937	736	46	13,167	1,049	37	12,272	1,344	667
Zlin Region	15	7,870	574	50	14,030	1,146	30	12,081	1,228	634
Moravia-Silesia Region	41	16,937	1,266	88	28,288	2,319	57	24,459	2,464	1,289

Source: CZSO – Statistical Yearbooks of the Regions 2006

*) Number of schools and pupils represents data for regular schools; number of teachers represents data for all schools (including special secondary schools).

In 2005/2006, the largest share of students attending general secondary schools was in Prague, followed by the South Moravia Region, Moravia-Silesia Region and Central Bohemia Region. The smallest share of students attending this type of school was in the Karlovarsko Region and Liberecko Region. The largest share of students attending secondary vocational schools was in Prague, the Moravia-Silesia Region and South Bohemia Region, compared to the smallest shares in the Karlovarsko Region and Liberecko Region.

In 2005/2006, the largest share of students attending lower secondary schools was in the Moravia-Silesia Region, South Moravia Region and again in Prague, and the lowest number of students attending this type of school was in the Karlovarsko Region, Liberecko Region and Pardubice Region.

In 2005/2006, the highest share of new students enrolling on study programmes completed by a school-leaving exam was in the Kralovehradecko Region and South Bohemia Region (in 2004/2005, this situation occurred in the Vysocina Region and Pardubice Region); on the other hand, the lowest number was experienced in the Olomouc Region and Central Bohemia Region (in 2004/2005, it was in Liberecko Region). The highest share of new students enrolling on study programmes completed with an apprenticeship certificate was in the Liberecko Region and Karlovarsko Region, the lowest number in the Zlin Region and South Moravia Region. The same structure applied to the category of lower secondary education completed with both apprenticeship certificate and leaving-school exam.

Comparing the situation in the 2001/2002 and 2005/2006 school years, we can see, in most regions, an increase in the number students enrolling for the first grades of general secondary schools, whilst the highest increase occurred in the Olomouc Region (+ 2.6%), in Prague (+ 2.1%) and Zlin Region (+ 1.6%). A decrease in the number of these students was experienced only in the Pilsen Region (- 1.3%), Kralovehradecko Region (- 0.5%), South Bohemia Region and Liberecko Region (both regions – 0.3%).

Compared to the situation in the 2001/2002 school year, in 2005/2006 all regions experienced an increase in the proportion of students enrolling for the first grades of secondary vocational schools completed by a school-leaving exam. The greatest increase was registered in the South Bohemia Region (+ 4.5%) and South Moravia Region (+ 4.4%); the lowest, on the other hand, was experienced in the Olomouc Region (+ 0.6%) and Pardubice (+ 0.8 %). The proportion of students enrolling for the first grades of secondary vocational schools completed with an apprenticeship certificate decreased in most regions, with the most significant drop in the Karlovarsko Region (- 1.8%), Moravia-Silesia Region (- 0.8%) and in Prague (- 0.8%). A slight increase in this category was registered only in the South Bohemia Region and Vysocina Region (both regions + 0.1%).

When monitoring the trend between the 2001/2002 and 2005/2006 school years, we can see a clear drop across all regions in the number of students accepted to study programmes providing only an apprenticeship certificate, with a major drop in the South Moravia Region (- 5.5%) and Moravia-Silesia Region (- 5.0%), and with the least significant drop in the Pardubice Region (- 3.0%) and Central Bohemia Region (- 3.2%). On the other hand, a certain increase was visible in the proportion of students newly enrolling for the first grades of lower secondary schools completed by a school-leaving exam. This was seen in all regions except for the South Bohemia Region, where the proportion remained the same. The most significant increase was seen in the Pardubice Region (+ 2.7%) and Karlovarsko Region (+ 2.4%); the least significant increase was in the Liberecko Region (+ 0.5%).

In recent years, the number of secondary professional schools, where it is possible to study a “lyceum” school framework programme, has been increased. These school framework programmes belong to the group of branches providing general vocational training. Lyceum is conceived as vocational study with an increased share of general education as compared to regular studies at secondary vocational school. A lyceum graduate is prepared for tertiary studies in similarly oriented branches and, besides, obtains vocational competencies that can be applied to even when he/she directly enters the labour market. The lyceum school framework programme

in terms of its content is co-ordinated by the National Institute of Technical and Vocational Education (hereinafter referred to as “NITVE”), which processes the curriculum. In the 2005/2006 school year, the education was implemented in the following areas of the lyceum programme:

- Technical
- Economic
- Teaching
- Waldorf
- Medical
- Natural science

Table 7: Trend in Number of Pupils Studying in Lyceum School Programmes

Orientation of lyceum programme	Newly enrolled for school year			Total pupils in school year			Graduates (completed course) in school year		
	03/04	04/05	05/06	03/04	04/05	05/06	02/03	03/04	04/05
Technical	1,534	1,822	2,101	3,971	5,135	6,338	249	516	785
Economic	1,118	1,379	1,845	2,913	3,886	5,154	86	369	535
Teaching	410	535	583	942	1,406	1,768	60	58	302
Waldorf	30	31	29	30	60	87	0	0	0
Medical	-	-	539	-	-	539	-	-	0
Natural science	-	-	191	-	-	191	-	-	0
Total	3,092	3,767	5,288	7,856	10,487	14,077	395	943	1,622

Source: NITVE (National Institute for Technical and Vocational Education) 2005, 2006.

Table 8: Number of Secondary Schools with Lyceum Education Programme (by Study Orientation)

Orientation of lyceum programme	Number of schools in 2004/05 school year	Number of schools in 2005/06 school year
Technical	60	66
Economic	40	57
Teaching	18	22
Waldorf	1	1
Medical	-	17
Natural science	-	8
Total	119	171

Source: NITVE.

The highest number of lyceum schools is in the Moravia-Silesia Region, Karlovarsko Region and Zlin Region; the lowest is in the Ustecko Region, Vysocina Region and Olomouc Region.

1.3.4.3.1 Structure of secondary vocational education branches

According to a statistical survey by IIE (Institute for Information on Education), the interest of applicants for vocational studies changed only slightly over the recent 4 years – it has shifted exclusively from technical branches to social sciences, sciences and services unlike the labour market demand. Within the structure of branch groups, between the 2001/02 and 2004/05 school years, the sharpest decrease in the number of applicants occurred in the branches of electrical engineering and telecommunications, food industry, construction industry, gastronomy and hotel business; the biggest drop manifested itself in the field of healthcare, caused by a change in the preconditions for performance of the profession.

1.3.4.4 Tertiary education

1.3.4.4.1 Tertiary professional education

The network of tertiary professional schools has come into existence in considerably variable manners both as to their number and size, branch structure and regional distribution. In 2005, study programmes within tertiary professional studies were taught at 176 tertiary professional schools. Most of the tertiary professional schools (hereinafter referred to as “PSVS”) co-exist with secondary vocational schools.

Predominant in the student composition of tertiary professional schools, according to the Classification of Core Education Branches, are the medical branches, with approx. 21% of students. They are followed by economic and administrative branches with approx. 20%, and teaching, including social care, with approx. 15%. A more significant proportion can also be seen in law, with approx. 10%. The number of students attending technical tertiary professional schools (electrical engineering, telecommunications and information technology, construction, geodesy and cartography, engineering and engineering production) does not even reach 11%.

The regional distribution of tertiary professional schools is uneven as well. Tertiary professional schools exist primarily in major urban areas – e.g. Prague, Brno, Ostrava and Ceske Budejovice. Conversely, there is no representation of tertiary professional education in the border areas – e.g. in the districts of Sokolov, Cheb and Tachov, or in the districts of Rakovnik and Cesky Krumlov. There is a very weak representation in some districts of South Moravia region (e.g. Znojmo, Breclav).

Table 9: Tertiary professional schools in School Year 2005/2006

2006	Tertiary professional schools		
	schools	pupils	teachers
Czech Republic total	176	28,792	1,923
Prague	36	6,677	453
Central Bohemia Region	18	2,425	168
South Bohemia Region	16	2,529	161
Pilsen Region	5	1,120	80
Karlovarsko Region	2	261	22
Ustecko Region	11	1,543	98
Liberecko Region	8	751	56
Kralovehradecko	11	1,169	93

Region			
Pardubice Region	9	1,705	92
Vysocina Region	14	1,790	130
South Moravia Region	16	3,668	214
Olomouc Region	7	1,357	101
Zlin Region	11	1,330	89
Moravia-Silesia Region	12	2,467	166

Source: CZSO – Statistical Yearbooks of the Regions 2006

The trend for a decrease in the number of students enrolling at tertiary professional schools reflects the more extensive availability of bachelor's programmes at universities. In relation to the number of graduates taking the school-leaving exam, the proportion of students enrolling at tertiary professional schools decreased. Compared to last year, the figure fell from 13.9% to 13.4%.

Admission to tertiary professional schools is closely connected with the admission procedure to universities, where students often go after having completed the first year at tertiary professional schools. A two-year study has shown a reduction in the number of students between the 1st and the 2nd years around 20%; for three-year study the figure is 30%, and for 3 and a half-year study it is as high as 45%.

In comparison with bachelor's studies, which with regards to length of study and often academic level are quite similar, there are two obvious differences of a formal nature between the study programmes of tertiary professional schools and bachelor's study programmes at universities: a school fee (regulated) is paid for the studies even at state tertiary professional schools and no academic degree is awarded. Tertiary professional schools very often provide study programmes with a significantly practical orientation, and it should be noted that they often offer education in branches that so far are not provided by universities. The presence of tertiary professional schools also plays an indispensable role in places where there is no university or faculty.

Tertiary professional education is thus often considered "lower-grade" tertiary education. Such a perception can be considered as unreasonable, because it is tertiary education intended particularly for practically oriented applicants. On the other hand, if the tertiary professional school graduate is interested in studying at university, they have the same status as graduates of secondary schools completed with a school-leaving examination and their tertiary professional education is not taken into account.

Tertiary professional school graduates are prepared for employment based on their practical training received in the course of the study; at the same time, they acquire a relatively good knowledge of a foreign language, including a knowledge of expert terminology relating to the studied field. A foreign language goes towards credit points.

1.3.4.4.2 Higher education

The number of universities has experienced significant changes since 1990. As of 31 October 2006, there was a total of 25 public universities (125 faculties). Besides public universities, there are two state universities, i.e. The University of Defence in Brno and The Czech Republic Police Academy in Prague. Since 1999, private universities have represented quite a new element in the system – as of 31 October 2006 a total of 39 of private universities have been established.

Table 10: Public and Private Universities in Regions as of 31 October 2006

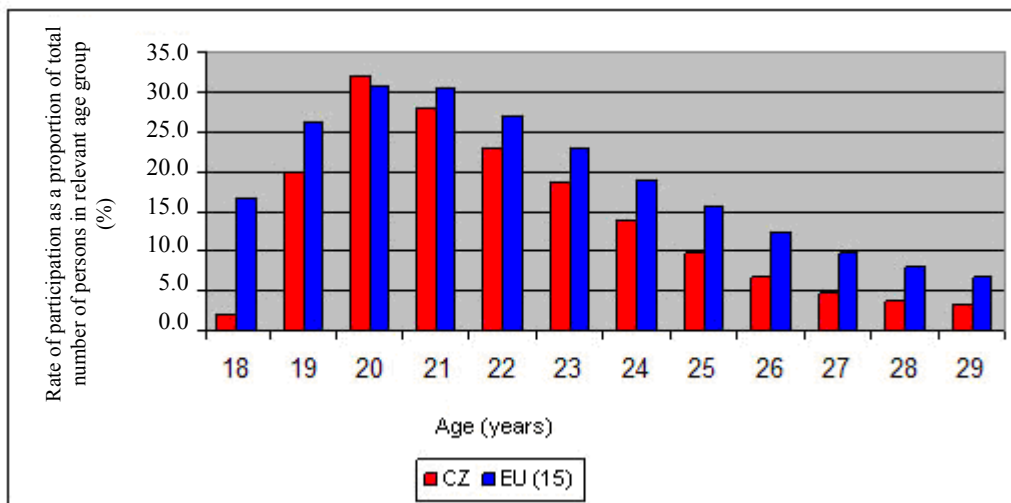
31 October 2006	Universities						
	Public				Private		
	schools	faculties	No. of students according to their:		schools	No. of students according to their:	
			place of study	permanent address		place of study	permanent address
Total	25	125	292,520	292,520	39	31,755	31,755
Prague	8	36	97,468	37,809	21	21,325	8,167
Central Bohemia Region	0	1	571	22,739	3	1,714	4,680
South Bohemia Region	1	7	11,403	16,497	2	670	1,231
Pilsen Region	1	7	17,849	12,598	1	506	937
Karlovarsko Region	0	1	850	5,018	1	972	1,075
Ustecko Region	1	7	11,299	17,092	1	595	2,687
Liberecko Region	1	6	7,843	9,298	0	41	673
Kralovehradecko Region	1	5	11,033	14,353	0	0	690
Pardubice Region	1	5	8,567	13,381	0	0	595
Vysocina Region	1	0	1,333	14,284	1	73	638
South Moravia Region	5	26	65,901	33,410	5	2,263	2,050
Olomouc Region	1	7	18,889	18,109	2	780	1,141
Zlin Region	1	4	9,169	19,194	1	770	765
Moravia-Silesia Region	3	13	32,775	36,027	1	2,067	2,134
abroad	-	-	-	22,711	-	-	4,292

Source: IIE

The table shows the number of students at public and private universities for all types and forms of studies, including foreign students.

In terms of the rate of participation in tertiary education, there is an obvious gap between the rate of participation in the Czech Republic and the European average (EU 15), although there are differences in the national classifications of tertiary education.

Graph 8: Rate of Participation in Tertiary Education



Source: OECD, *Education at a Glance, 2005* (data for the 2002-2003 school years)

However, the difference in rate of participation of the Czech Republic’s population in higher education as compared to EU countries is much more remarkable than suggested by a simple arithmetic average of the EU 15. In Finland, for instance, the rate of participation in higher education of the population aged 22 reaches 45%, i.e. practically double the percentage as compared to the level in the Czech Republic.

In recent years, the number of university students has increased significantly (the number of university students has tripled since 1993).

Out of the total number of Czech citizens applying for university studies (127,000 applicants who took part in admission proceedings), 71% were admitted to universities in 2006.

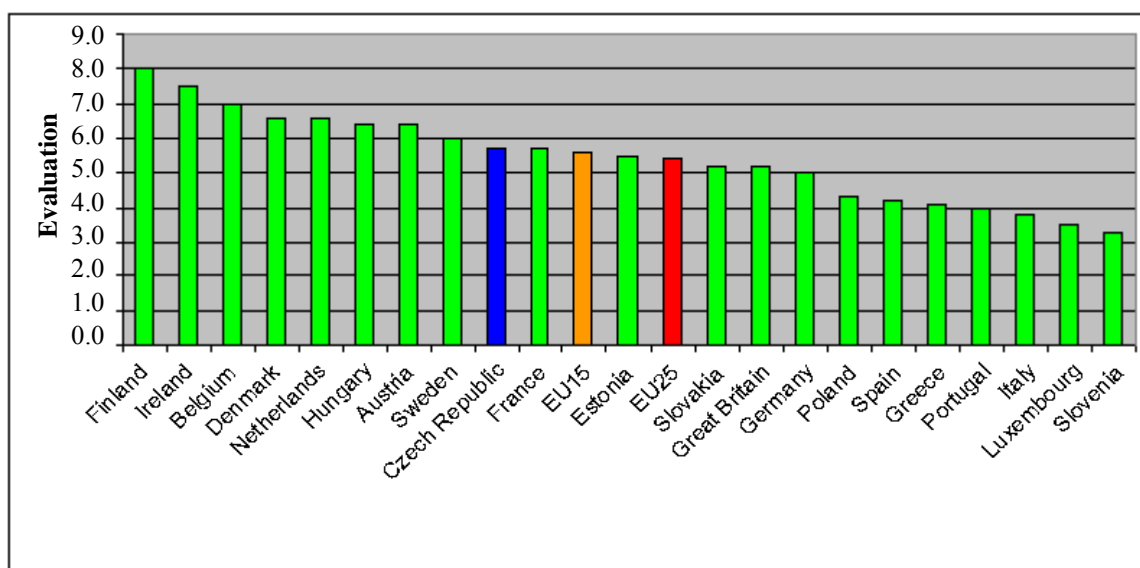
The growth in the number of university students is not accompanied by an adequate increase in university capacity and number of teaching staff (from 1990 to 2002 the number of university teachers increased by only 15%), which results in insufficient individualization of studies and an inappropriate distribution of subjects studied. As a consequence, the limited capacity of lectures and seminars results in the overall period of studies being prolonged.

Educational activity of universities and its quality

Educational activity together with scientific, research and development activity and activity focused on working together with the economic sphere all form the main activity of universities.

Universities try to adapt their study programme offers to the current needs of the labour market in order to provide the best employability of their graduates in practice. For this purpose, they co-operate with numerous Czech and foreign companies. In spite of this, there are considerable reserves in their mutual co-operation. Some schools perform their own analyses of the employability of their graduates in the labour market and of the educational needs of relevant enterprises in the given region, and at the same time enable the enterprises to participate in the preparation and content orientation of the studies.

Graph 9: Quality of Higher Education



Source: *World Competitiveness Yearbook, Lausanne, International Institute for Management Development, 2004*

Note: Evaluation is based on a survey in which the experts questioned answer the following question: “How does the quality of higher education meet the needs of a competitive economy?” Evaluation 0 – the worst, 10 – the best.

In terms of the quality of higher education, the Czech Republic is average for the European Union.

Number of students at universities

In 2006, there were 323,765 students studying at public and private universities in the Czech Republic, which was more than 9% higher than in 2005. Most students (66%) studied at universities in Prague, Brno and Ostrava (37% of all students studied in Prague, of which almost 67% came from outside of Prague). 90.4% of students studied at public universities, 9.8% at private universities. 57.6% of students studied bachelor’s programmes, 36.4% studied master’s programmes, and 7.5% studied doctoral programmes. Out of the total number of students at all types of universities in the Czech Republic in 2006, 52.8% were women.⁶

⁶ Out of the total number of students in bachelor’s study programmes, 49% were women; 54% of students in master’s study programmes were women, 53% of students in postgraduate master’s programmes were women, and 40% of students in doctoral study programmes were women.

Table 11: Trend in the Number of Students and their Studies at Universities in 2001-2006

Year	2001	2002	2003	2004	2005	2006
Students	218,941	224,433	248,087	270,814	296,435	323,765
Studies	228,395	234,099	258,643	281,702	307,457	335,955

Source: IIE

In 2006, 92.4% of students were Czech nationals. 7.6% of students studying in the Czech Republic were foreigners, of which most were from Slovakia (67% of foreigners), and there were also students from Russia, Ukraine and Great Britain. Foreigners definitely prefer studying at public universities (81.2% of foreigners).

The greatest interest (in absolute numbers) is in studying teaching, the humanities and social studies, technical subjects and the economic sciences. The highest number of students was also admitted to these courses.⁷

Academic staff

In 2006, there were about 15,524 academic employees working at universities. Since 2002, their number has increased by 1,700. The age structure is still unsatisfactory. The average age of newly appointed professors is still over 50. The current qualification structure of academic staff, particularly at new universities, is not evaluated as being sufficient; there are significant problems primarily in the lack of habilitated staff and their unsatisfactory age structure at the overwhelming majority of universities. The lack of high quality teachers affects the quality of education, research and other creative activities of the university.

Table 12: Average Registered Number of University Personnel¹⁾

Category of state budget employees		Average recorded number of employees, full-time equivalent				
		2002	2003	2004	2005	2006
Academic and scientific staff		15,274	15,699	16,045	16,721	17,460
Of which	Academic staff	13,846	14,220	14,623	15,016	15,524
	Scientific, research and development staff	1,428	1,478	1,422	1,705	1,936

Source: IIE, *Statistical Yearbooks – Employees and Wages*

Note: ¹⁾ Public universities including dorms and students' halls (without University Agriculture Estates, University Forestry Estates)

⁷ The highest success rates in admission process show technical (90%), agricultural and veterinary (77.8%) branches, and natural sciences (71.2%). The success rate in admission is obviously related to the lack of success during study that, however, reflects also the demanding nature of the respective study.

1.3.5 Further education

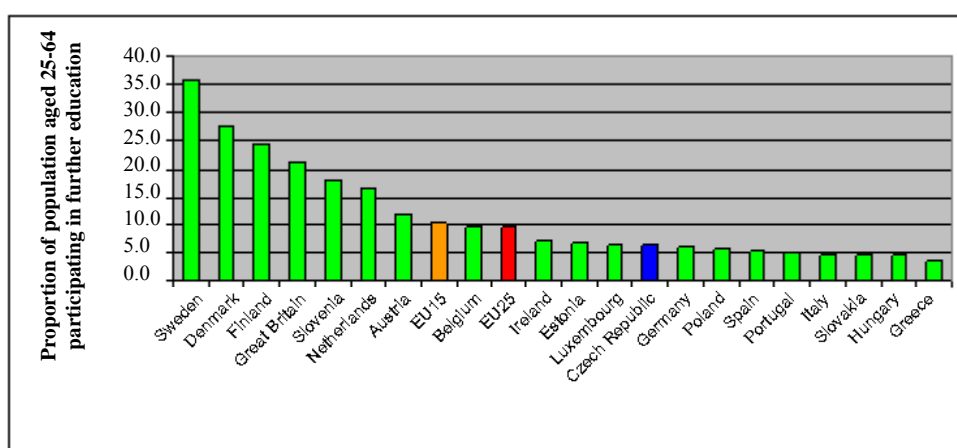
Further education represents a very variable part of the educational system; the target groups feature absolutely different characteristics (as to age, position on labour market, profession, and motivation for further education). It may take place both in purely educational institutions (both public and private) and within entities having education as only one of their economic activities – public benefit associations, civic associations, non-profit organizations, business self-governments (chambers of commerce), and numerous private companies. The expenditure on further education may be paid from private resources on one hand, but on the other hand they may be of a public nature. All of this makes the system of further education difficult to analyse (sufficiently detailed statistical data are missing).

The Czech Republic has not set yet an overall further education framework that would open further education to all applicants and support a higher participation of the population in further education and, at the same time, enable a transparent evaluation of the outputs of such an educational process. Both interest education and informal education have to be included into this framework as well. A comparison of indicators of adult education in this country and abroad, particularly in the European Union countries, clearly shows that in this country adult education is developing much more slowly and only enables the achievement of a formal level of education to a small extent.

1.3.5.1 Participation of adult population in further education

According to the Lisbon strategy, the individual member states should adopt measures to ensure that the participation of persons aged 25-64 in education reaches at least 12.5% by 2010. This corresponds to a 0.5% annual growth (however, the current growth rate is 0.1-0.2%).

Graph 10: Participation of Adult Population in Further Education (2004)



Source: EUROSTAT – New Cronos, structural indicators, 2005

In 2004, this criterion was met by only 6 European Union countries. The Czech Republic with its share of 6.3% of adults participating in further education ranks among the “worse” EU members, lagging behind even some new EU members (Estonia). The causes may be seen both in the insufficient offer of further education and in insufficient support from public resources. Another cause may be the concept of lifelong learning and motivation for further education being so far

only accepted to a small degree (both on the employers' part and on the part of the Czech Republic's inhabitants).

The system of further education in the Czech Republic is joined primarily by secondary school graduates and people with a higher level of education, i.e. people achieving a high level of qualification. Therefore, the differences in the level of education of individual population groups deepen.

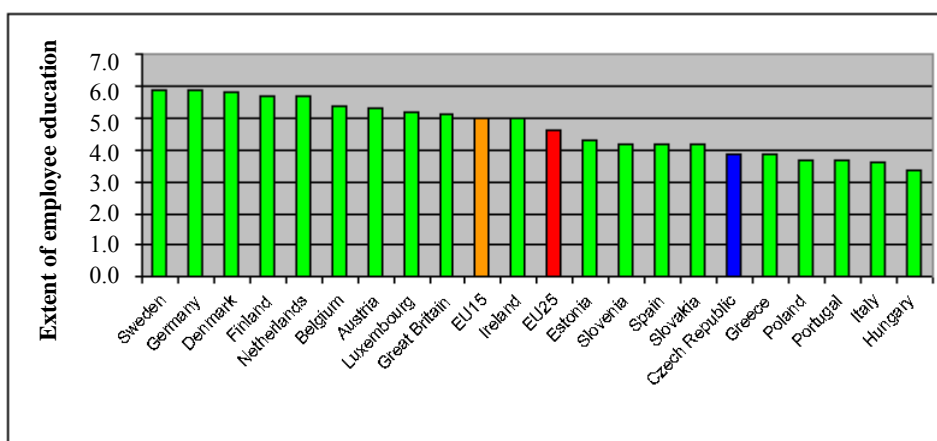
1.3.5.2 Education of employees

The highest rate of participation in further education in terms of the Czech Republic's population is reported by the group of employees. The further education of employees is ensured by their employers. Within this group, the workers from small and medium-sized enterprises engage the least in further education. The highest proportion is, on the other side, taken by foreign companies' personnel.

In an international comparison, the Czech Republic is one of the countries with the least favourable values, whilst employees' education is rated as better even in some new EU member states (such as Slovakia, Slovenia and Estonia).

The relatively poor results show insufficient education of employees in enterprises, which increases fluctuation of employees and threatens the companies' competitiveness, and thus the competitiveness of the national economy as well.

Graph 11: Extent of Employee Education (2004)



Source: World Economic Forum – The Global Competitiveness Report 2004-2005

Note: The extent of employee education is based on international research, with respondents (companies) answering the following question: "What emphasis is placed on employee education?" 1 – large emphasis, 7 – I place no emphasis.

Only about one quarter of Czech enterprises consider education as a priority element of their personnel policy, and human resource development as a part of their development strategy. In most sectors there are no comprehensive methods of staff education. On average, expenditure of the Czech enterprises and other organizations on employee education does not even reach a half of analogical expenditure made in West European companies.

Only approximately every twentieth applicant takes part in re-qualification training for job candidates. Although the proportion of people in older age groups of the population has been growing due to the population trend in this country, there is no apparent development of their education.

This adverse development may have a strong effect on slowing economic growth and living standards, and is in sharp contradiction to the general trends that will increasingly affect the Czech Republic in the future (e.g. internationalisation, informatisation, and an ageing population).

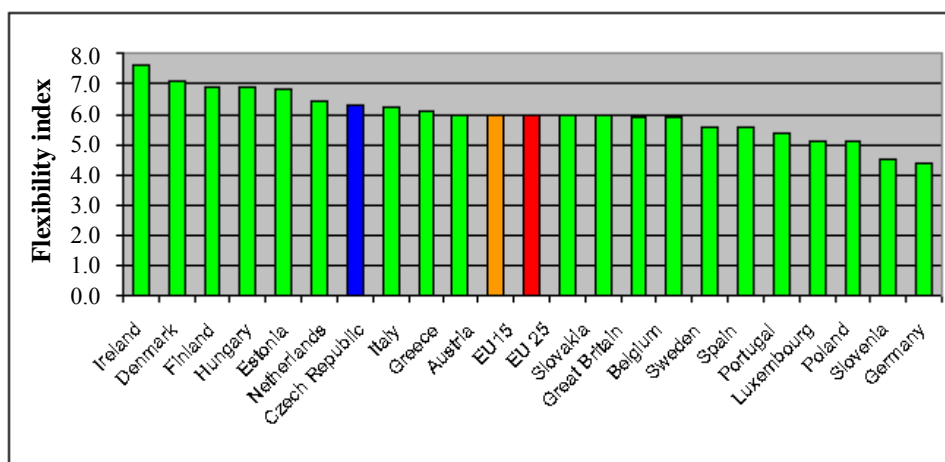
For the greater part, further education is missing the appropriate legal framework to regulate the competencies and responsibilities of stakeholders (i.e. the state, employers, trade unions, local government, and professional associations), the rules of financing the main components of further education, financial and non-financial development of further education, and the mechanisms assuring the quality, accreditation and certification of further education. The newly adopted act on recognizing the results of further education (2006) is only the first step in this respect. Informal education, which takes place outside of the formal educational system and does not result in integrated school education, has also to be included into further education.

1.4 Education and Competitiveness

1.4.1 Flexibility of the population

The flexibility of the Czech Republic's population has shown relatively stable growth since 2003, and the country has gone from being low down the league table of countries being compared up to one of the leading positions.

Graph 12: Flexibility of the Population



Source: *World Competitiveness Yearbook, Lausanne, International Institute for Management Development, 2004*

Note: Evaluation of the population's flexibility is based on scoring performed by individual members of an international expert panel, who assign scores according to whether the degree of flexibility is low (0) or high (10).

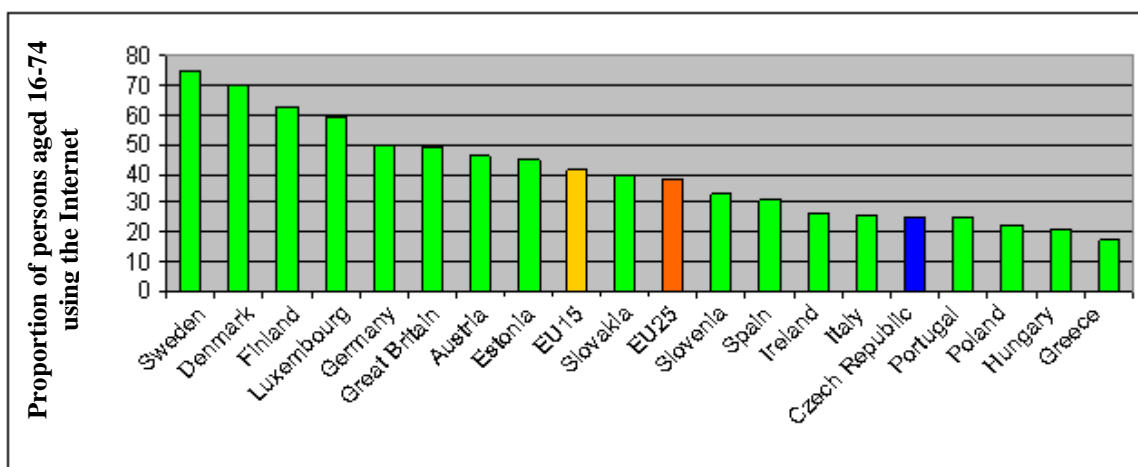
The graph above shows a low flexibility in France and Germany, where regulatory labour market mechanisms are strongly applied; on the other hand, in Ireland, Denmark, Finland, and also the Czech Republic, there is a marked influence by the quality of higher education and, undoubtedly, other evaluated factors as well.

1.4.2 Computer literacy and use of ICT

Traditional forms of literacy (reading, mathematical, scientific, ability to solve problems) are also joined by computer literacy, which is closely linked to the use of information and communication technologies (hereinafter referred to as “ICT”). For this, it is necessary to ensure non-discriminatory access for the population to computer technology and opportunities to learn to use it in order to reduce the handicap represented by an absence or lack of information literacy in respect of employability.

In terms of computer literacy within the individual regions, the best situation is definitely in Prague, where more than 38% of the population over 15 years of age knows how to use a computer. In second place, rather lagging behind, is the Ustecko Region (28%) followed by Central Bohemia Region, South Moravia Region and Olomouc Region (27%). The Karlovarsko Region and Vysocina Region are at the other end of the scale (22%).

Graph 13: Use of the Internet



Source: EUROSTAT- New Cronos, status effective as of 15 September 2005

In the Czech Republic, the proportion of persons using the Internet increased by 5% in 2005 as compared to 2004; in spite of this, the rate of Internet use is one of the lowest in the EU. The Internet use rate depends on numerous factors, of which the most significant ones include households being equipped with PCs, use of the Internet at work, technical infrastructure facilitating an Internet connection, and the existence of a competitive environment among providers, which is a guarantee of sufficiently low prices acceptable by users. Internet use also shows a close link with the educational and age structure of the population.

About 95% of schools have an Internet connection, of which 82% have a permanent connection, but only one third of schools are connected via a broadband connection. We achieve the European average in the number of all computers per 100 pupils, but roughly one third of the computers are obsolete; at schools there are 4.8 computers manufactured after 2001 per 100 pupils. ICT utilisation in education as such is still very low; the ability of teachers to use the Internet in preparation for lessons and during lessons is considered problematic. According to the Long-term Development Plan for Education and the Educational System of the Czech Republic 2005, the qualified estimation of the number of teachers using ICT in education and preparation for it is approximately 30%.

At the European Union level, the statistics on the extent of ICT skills among the public at large are collected by Eurostat. Specifically, it deals with concepts of digital literacy⁸ and e-skills in this area (Eurostat 2006). The results presented in spring 2006 show that ICT skills are generally more frequent in younger people as compared to elderly ones, and in people with a higher level education as compared to those who achieved a lower level of education. According to the Eurostat report (2006), elderly persons and persons with a lower level of education more frequently reported that they did not work with the Internet regularly; the same applies to the answer “I have never used a PC”.

Although the said finding is no surprise, it is worth mentioning that the situation in the Czech Republic is “above average” in this respect, i.e. there is a higher proportion of persons characterized above in this country as compared to the average of the EU countries. Moreover, according to Eurostat (2006) the Czech Republic is still below the average as to proportion of persons using a computer at work.

The view of the Czech Republic in an international comparison as to differences in PC availability at home according to socio-economic position suggests that in this respect there are relatively significant differences in the country. According to the findings of the OECD (2005), differences in PC availability at schools are smaller.

In terms of OECD statistics disclosed annually in the publication *Education at a Glance*, attention is devoted to access for pupils and teachers to computers at school. The proportion of computers available to pupils is monitored (IIE 2006).

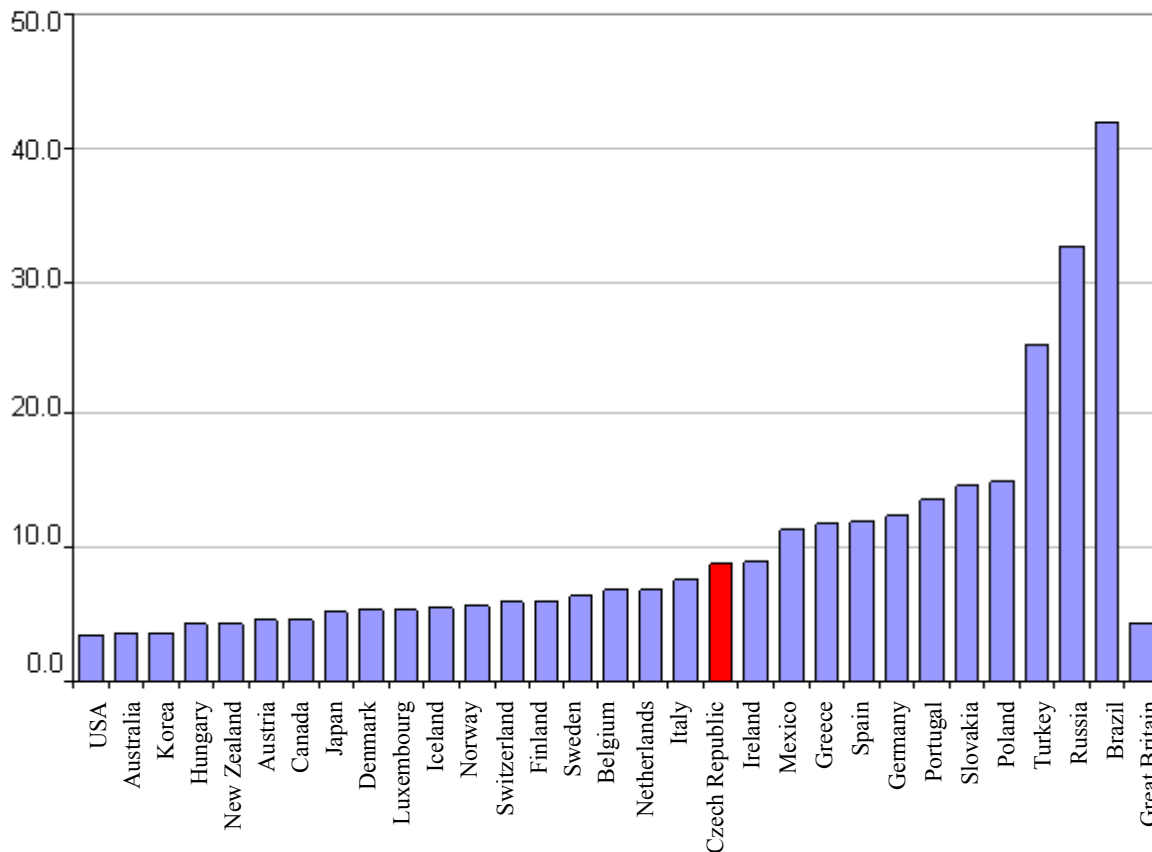
Table 13: Place of Internet Use by Individual in 2005 (in %)

	Home	Work	School	At friends	Elsewhere
Region					
Prague	55.7	60.6	16.2	13.5	4.8
Central Bohemia Region	73.9	38.9	18.2	14.5	4.6
South Bohemia Region	59.2	43.9	29.1	16.5	7.9
Pilsen Region	57.9	49.6	16.8	12.0	5.9
Karlovarsko Region	76.9	24.3	21.1	20.8	7.6
Ustecko Region	57.0	38.6	20.4	18.0	4.7
Liberecko Region	56.8	31.5	17.8	20.5	17.9
Kralovehradecko Region	60.2	43.2	17.4	9.7	4.4
Pardubice Region	65.6	45.5	23.6	14.9	8.4
Vysocina Region	58.7	34.8	26.6	18.6	16.1
South Moravia Region	61.3	46.4	19.3	15.7	5.9
Olomouc Region	57.4	41.3	31.4	13.5	8.2
Zlin Region	59.1	43.7	27.0	6.3	7.6
Moravia-Silesia Region	63.3	31.3	26.3	11.8	5.3

Source: CZSO

⁸ Digital literacy relates to a critical approach to using ICT for work, communication and leisure. It comprises primarily the following aspects: use of computers for searching, creating, saving, accessing and exchanging information, and communication via the Internet.

Graph 14: Number of Students per Computer (2003)

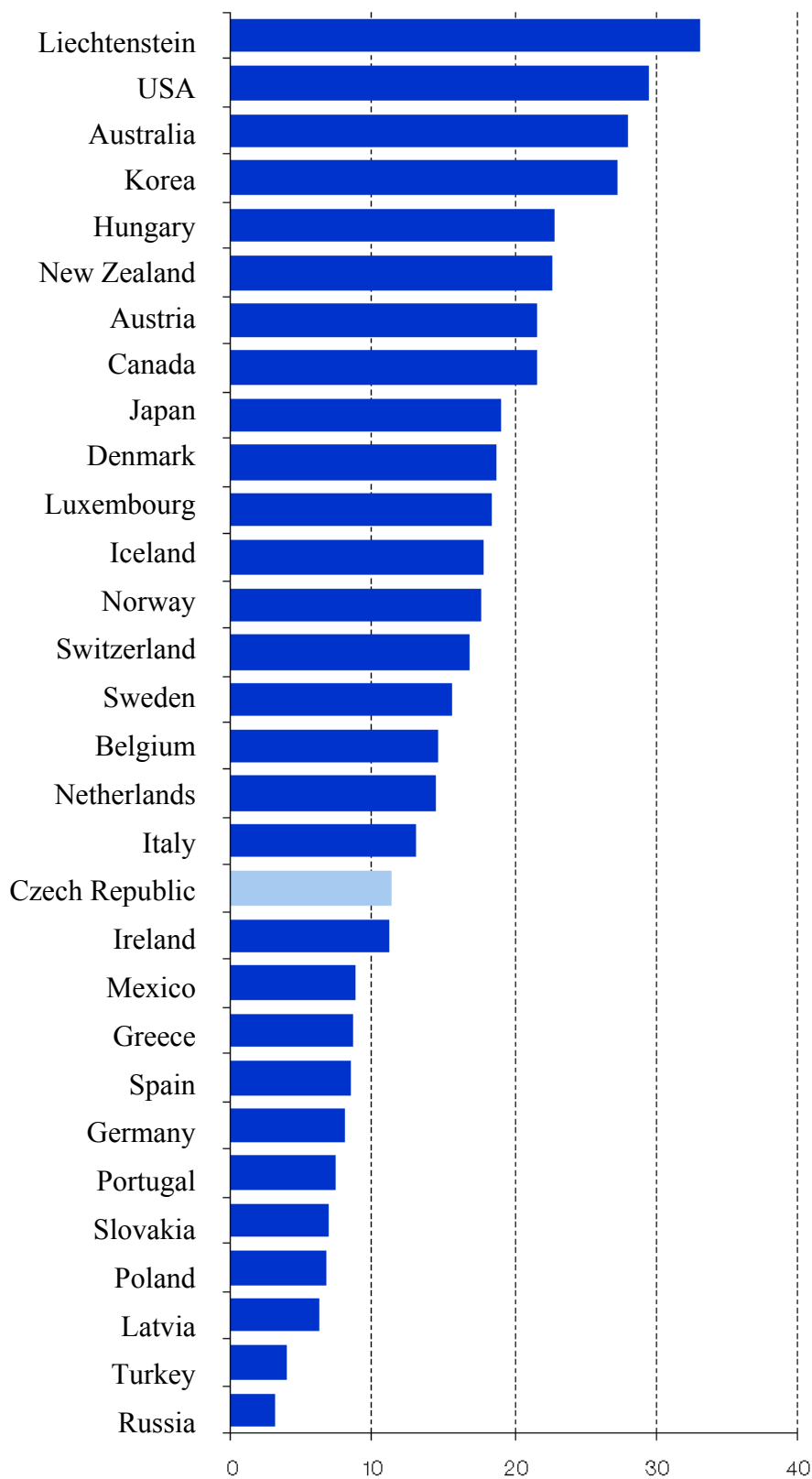


Countries are listed in ascending order.
 1. Return is too low to ensure comparability of results.
 Source: OECD PISA 2003 database, Table D5.1.

Source: adapted according to Education at a Glance 2006

As to the proportion of computers used by pupils, according to the OECD report the Czech Republic is approximately average (12). In addition, data on the number of pupils per computer are available.

Graph 15: Number of Computers per 100 Students (2003)



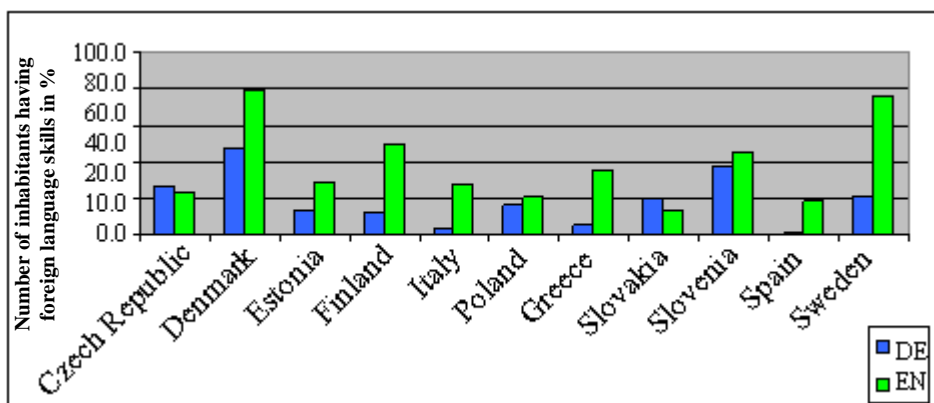
*Students in age category of 15 years.
 Source: OECD (2006) Are students ready for a technology-rich world?
 Results from PISA 2003

Source: Czech Statistical Office 2006

Source: taken from CZSO 2006

1.4.3 Language skills

Graph 16: Trend in Percentage of Population Speaking a Foreign Language (English and German)



Source: *Languages in Europe 2005*, available online at: http://www.europa.eu.int/comm/education/policies/lang/languages/index_en.html

As compared to other EU member states, the Czech Republic has a low proportion of its population that speaks English (although it is considered the most useful language⁹). Other language skills are not sufficiently widespread in the Czech Republic either. Approximately 67% of the population speaks at least one foreign language (excluding Slovakian).

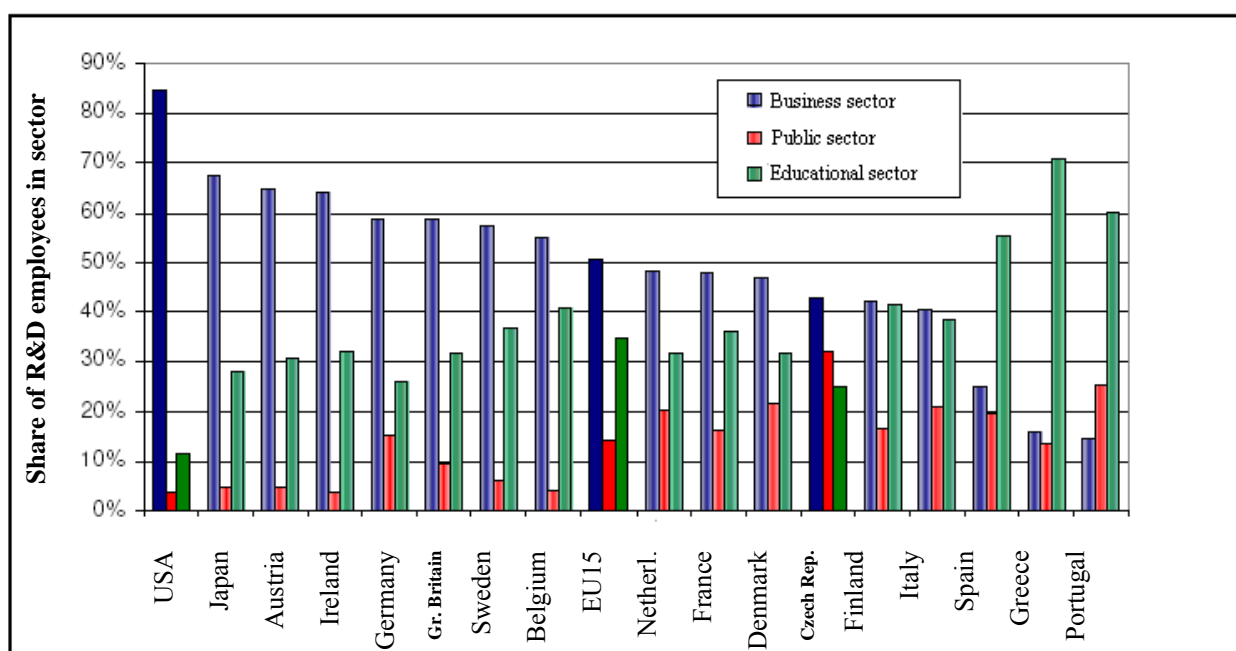
The main barriers to language education are a lack of quality tutors and obsolete teaching methods failing to develop all aspects of language education.

1.4.4 Human resources in research and development

The standing of research and development in the structure of the Czech Republic's economy as yet is weak – in 2003 the Czech Republic spent approximately 1.3% of GDP on research and development, while the advanced countries spend 2 – 3% of GDP on research and development, primarily for the sake of maintaining their competitiveness.

The Czech Republic lags behind both in terms of amount of funds and in terms of quantity and quality of research and development poles and their staff.

⁹ http://www.europa.eu.int/comm/education/policies/lang/languages/index_en.html

Graph 17: Share of R&D Employees in the Educational, Public and Business Spheres

Study – Use of research and development for support of a knowledge economy in the Czech Republic, TC AV 2005

Research and development institutions are unevenly distributed in the Czech Republic – they follow the economic, educational and population centres of the Czech Republic. This territorial differentiation is subsequently also reflected in a regional differentiation of employment in research and development. In 2004, the most research and development employees were concentrated in Prague (41%), followed by the regions of South Moravia, Central Bohemia and Moravia-Silesia. The least research and development employees, on the other hand, were reported in the Karlovarsko and Vysocina regions (particularly due to the small number of universities in those regions).¹⁰

As at 31 December 2004, a total of 60,148 individuals worked in research and development, of which 20,823 were women. Having recalculated this number to full-time employment, a total of 28,765 recalculated persons worked in R&D, of which 30.6% were women. The biggest proportion was made up of researchers (56.7%), of which approximately 25% were women.¹¹ In 2004, the highest number of researchers (recalculated persons) was employed in scientific research projects in the business sector (approx. 43%), followed by the public sector (approx. 32%). Educational institutions (tertiary professional schools and universities) employed 26.2% of persons in the same period. Co-operation among research and development institutions (public, educational, and private) is at an insufficient level – the necessary networking and information transfer are missing.

The highest number of research employees performs their activities in the area of technical sciences (43.5%), followed by natural sciences with 29.6%, medical sciences with 8.1%, agricultural sciences, social sciences, and humanities.

¹⁰ *Study – Use of research and development for support of a knowledge economy in the Czech Republic, TC AV 2005*

¹¹ *Technical employees represented 32.8% of recalculated persons in R&D, and other employees made up approximately 10.5% of the recalculated employment.*

As to the achieved level of education of the researchers, 33.5% had a doctoral education (Ph.D). The woman to man ratio with this education is approx. 1 to 3. The representation of young researchers (25-34 years) in the total number of researchers with a doctoral education appears to be comparatively insufficient – only approximately 20%. Therefore, there is no intergenerational transfer of know-how; this applies to both the transfer of already achieved knowledge from older generations to younger ones and the transfer of innovative approaches and foreign contacts from the younger to the older generations of researchers.

83% of persons that had achieved a Ph.D degree are active in governmental research or institutions of tertiary professional or higher education. Only 16.8% of them are active within the business sector, which shows the low interconnection between research and development at universities and the commercial sphere.

The highest representation of persons with a doctoral education is reported in natural sciences, followed by technical sciences.

The generally low share of research employees per 1,000 employees (half the number when compared to the EU) is caused, among other things, by insufficient support of research institutions in the Czech Republic, and insufficient financial remuneration, which results in a “brain-drain” to foreign countries. This unfavourable situation is simultaneously influenced by the demographic trend of the age structure of the population. The high average age of researchers with significant representation in the age category of 50-60 years¹² is a very serious problem. Out of the total number of 517 principal investigators of research projects (hereinafter referred to as “Investigators”) only 8.3% (43 principal investigators) and 18% (93 principal investigators) were younger than 46 and 51 years, respectively in 2004. Compared to this, almost 41% of principal investigators were over 60. There are several causes of the given situation. The main causes can be seen both in insufficient financial remuneration of young research employees and in the rigid structure of R&D institutions, which prevents the career growth of young people. The established practice when the investigators – seniors formally sign research projects without being their actual investigators is also a significant reality. Thus, a part of prospective young R&D employees either prefers better facilities and financial conditions for scientific work abroad or leaves research and development for other areas of the national economy.

A relatively significant part of research employees (both school leavers and more experienced scientific workers) have reserves in competencies that are absolutely crucial for current research and development, i.e. team work, project management, and business basics. This is reflected in an inadequate demand from commercial entities showing very loose links of R&D institutions with the commercial sector and an insufficiently developed transfer of results of the research and development activity towards its further utilisation.¹³

Although the language competencies of research employees are at a relatively good level, their quality needs to further be improved, particularly by means of mobility programmes¹⁴ on an international scale, in order to support the diffusion of innovation and transfer of know-how from abroad.

¹² Analysis of the state of research and development in the Czech Republic and comparisons with other countries in 2005.

¹³ Study – Use of research and development for support of a knowledge economy in the Czech Republic, TC AV 2005.

¹⁴ E.g. Erasmus / Socrates.

1.4.5 Supply by educational institutions and demands of labour market

The very substance of the educational system, which apart from the production of a qualified labour force to meet the needs of employers fulfils other functions as well (e.g. socialization, social, cultural, and other ones), implies that it is not possible to achieve absolute harmony between the supply by educational institutions and the rapidly changing needs of employers. However, from the perspective of effective human resource management and support of competitiveness of the economy it is highly desirable for the education system in all its stages including the system of further education to be capable of responding flexibly and effectively to needs of the economy and to trends in the labour market. Research¹⁵ carried out in the past several years suggests that, both in terms of quality and quantity, the educational system is not able for the time being to respond to the labour market's needs – the employers repeatedly point out difficulties in the recruitment of labour force for certain types of employment.

With respect to quality the greatest reservations of employers persist in language skills, IT skills and further “soft-skills” – e.g. the ability to work in a team, to solve problems, leadership and creative capabilities and communication with people. Lack of a qualified labour force is felt the most in qualified workers' professions (primarily in engineering and construction), but the lack of qualified staff is also increasingly being felt in technical branches (e.g. in IT, electrical engineering, and mechanical engineering).

1.5 Experience from the Previous Period

The evaluation of the previous 2004-2006 programming period is based on available underlying documents, i.e. particularly on detailed monthly information regarding the trend in drawing resources from EU Structural Funds (hereinafter referred to as “SF”), and also on annual and semi-annual reports of the Human Resource Development Operational Programme (HRD OP).

Focus of the projects

The first projects within HRD OP were not approved until the very end of 2004 (Measure 3.1). The sharp commencement of project collection, evaluation and selection did not occur until 2005 (see Annex No 2).

The most project applications were submitted within the scope of grant schemes (approx. 3,000), while the biggest demand was reported within the scope of Measure 4.1 (Increased adaptability of employers and employees to changes in economic and technological conditions, competitiveness support). An additional attractive measure for application came in the form of Strengthening the active employment policy (Measure 1.1) and Development of further vocational education (Measure 3.3).

The highest overhang of demand (submitted requests) with regard to the number of approved projects was reported for Measure 4.2 (Specific education), where only each eighth project succeeded. However, the situation was not better in the other measures either – Strengthening the active employment policy (approx. 6 times more requests submitted than approved projects). For Measure 4.1, the overhang was six times higher as well. Development of further vocational

¹⁵ Identification of shortage of qualifications in the labour market, NOET & NTF 2003; Needs of employers and readiness of school leavers to enter the labour market – 2004, NITVE 2004; Employability of school leavers in the labour market, NITVE 2006, etc.

education (Measure 3.3) and Integration of specific population endangered by social exclusion (Measure 2.1 - overhang was five times higher).¹⁶

Trend in drawing on SF according to individual measures

Due to late calls to submit projects, the drawing of funds was shifted, and at the end of 2005 there were still about 30% of the allocation for 2004-2006 available within the scope of HRD OP.

The results of drawing on funds were influenced by several factors, particularly by:

- late start of calls to submit projects;
- insufficient information for final recipients;
- administrative severity of project implementation;
- insufficient experience in formulating and submitting projects – requests for subsidy to projects funded from ESF.

Evaluation of set-up of the HRD OP implementation system (2004-2006)

The most serious system deficiencies in the 2004-2006 programme period include, in particular: insufficient administrative capacity, errors in IS Benefit, information transfer within the implementation structure given by its complexity, and changes in conditions for applicants. The project preparation by applicants was further complicated by ambiguous interpretation of public support and unclear set-up of the partnership principle, including the settlement of financial fulfilment between final recipients and partners. The whole process of project evaluation was often affected by different evaluation from various evaluators, which resulted in additional processing of an independent expert report, which again resulted in delayed approval of requests for aid.

Regarding the increase of financial resources dedicated to EC OP activities and also regarding the fact that MEY&S has become the Managing Authority, it will be necessary to ensure qualified staff for the entire implementation structure, i.e. improve their professional education, in particular, in the area of the programme and project management. Simultaneously, it will be necessary to stop workforce fluctuation. These objectives are to be achieved with the support of technical assistance.

In the case of MSSF, it will be necessary over the period 2007-2013, jointly with the contractor, to better formulate the requirements for simplifying and rationalizing the entire informational/monitoring system (including connection of all levels - MONIT, BENEFIT). Likewise, it will be necessary to establish unambiguous and clear definitions in the system of indicators.

In order to improve projects presented under the EC OP and also in order to improve the transfer of information towards applicants, the technical assistance resources will be channelled to promotional and consultancy activities for potential applicants/submitters of projects. An important guideline for improving the quality of the projects submitted shall consist in providing good practice examples, i.e. information regarding projects that were successfully implemented during 2004-2006 under the Measure 3.1 and 3.2 of the HRD OP.

Link between EC OP and the Initiative by the EQUAL Association

¹⁶ Note: The overhang may be caused by missing evaluation, and thus by non-approval of projects. Some projects may not have been approved or evaluated due to failure to meet formal pertinences of the request.

A significant part of the support for lifelong learning and thus of the fulfilment of educational priorities concerned the Initiative by the EQUAL Association, conducted between 2004 and 2006. Its main mission was to develop, test, and, if successful in terms of expected benefits, implement newly developed solutions to existing problems in the labour market. The most important activity of the EQUAL Initiative focused on education and ensuring a link with the EC OP and concerned the thematic area No. 5 called, “Support to Lifelong Learning and Processes Enabling Employment of People from Disadvantaged and Discriminated Groups in the Labour Market.” This area formed a part of priority 3, Support to Adaptability. Projects implemented under this area contributed to reform efforts in the development of education, focusing on the improvement of workforce quality, extension of educational opportunities and supporting the ability to cope with the demanding conditions of the changing labour market.

1.6 SWOT Analysis

In accordance with the provisions of Article 36, paragraph 1, section a) of Proposal for a Council Regulation laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund, the OP contains an analysis of strengths and weaknesses in the area of education. Although only an analysis of strengths and weaknesses is required, opportunities and threats are briefly commented on as well. The SWOT analysis is focused on both the characteristics of the population’s education and the structure and functioning of the educational system, including the overlap into research and development activities.

From the perspective of the characteristics of the level of education of the population, first of all the above-average proportion of inhabitants with completed secondary education and the relatively low proportion of persons with only primary education (compared to the EU) may be considered as strengths. Strength of the educational system of the Czech Republic consists in a dense network of educational institutions in the primary and secondary school system, the capacities of which can be very appropriately and effectively used for the area of further education.

Weaknesses of the Czech Republic’s population are: low ability to work with information and master information and communication technologies, insufficient knowledge of foreign languages, low motivation to get involved in further education, and low share of the population with completed tertiary education. The prevailing focus of the educational system on transferring the large amount of knowledge and the associated insufficient emphasis placed on the development of key competencies of the individual can be considered as weaknesses at the system level. Furthermore, there is an insufficient link between educational institutions of the tertiary system, research poles and the public and private sectors, a limited ability of educational institutions to respond to the current needs of employers, and an insufficiently developed further education system and its relating information and consultancy services.

The main opportunities for the development of education and competitiveness of the Czech Republic include growth of university capacities (spaces, equipment, and the number and structures of teaching staff), number of students in tertiary education institutions, primarily in practice-oriented and short-term study programmes. Creation of a system of lifelong learning making use of the existing capacities of educational institutions of all levels also represents a large opportunity.

The most significant threat is represented by the adverse demographic trend in the population. The benefit of education for competitiveness is also endangered by a continued insufficient link

of the educational system and employers’ demands and, last but not least, by stagnation of interest in further education by employers and individuals.

The main strengths and weaknesses, opportunities and threats are listed below:

Table 14: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Very significant participation of relevant population group in secondary education, which already today exceeds the Lisbon targets of the EU in education • Low proportion of people with only primary education • Prolongation of average length of education up to the level of the EU-15 • Sufficiently dense network of educational institutions and scope of capacities of primary and secondary schools, and possible utilisation of these capacities for the area of further education. • Decreasing share of uncertified teaching staff • Equal access for men and women to education at all levels and forms 	<ul style="list-style-type: none"> • Socio-cultural barriers in access to the Internet, low ability of the population to work with information and manage information and communication technologies, and insufficient use of ICT at schools for educational and teaching purposes • Low level of foreign language skills (particularly English) in all forms (written, spoken and read) by population of the Czech Republic • Limited ability of educational institutions to respond in time to the current needs of employers • Insufficient emphasis on development of key competencies in tuition at all levels of the educational system • Focus of educational system on rendering a too large volume of knowledge and its insufficient practical orientation • Low degree of individualisation at all education levels • A constantly low degree of internationalisation in education at all school levels • Insufficient support of motivation for business and insufficient development of competencies necessary for entrepreneurial activity <ul style="list-style-type: none"> • Low proportion of the Czech Republic’s population with completed tertiary education compared to the EU-15 countries • Low efficiency of doctoral programmes manifested in long duration of studies and high percentage of incompleteness • Relatively high dropout in first years of study, particularly at technical universities • Low mobility of students on both national and international level • Unclear and indistinct position of tertiary professional schools, poor cohesion and permeability of tertiary education • Insufficient number of employees in R&D and low motivation for involvement in work in this area • Insufficient link between tertiary system educational institutions, research poles and public and private sectors • Limited capacity of tertiary education institutions • High average age of academic staff

	<ul style="list-style-type: none"> • Insufficient participation of population in further education and low willingness of the population to be educated further • Non-existence of a comprehensive system to recognize the benefits of informal education for competence development • Non-existence of information and consultancy services in adult education • Insufficient offer of short-term school framework programmes in further education, distance education and new forms of education
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Opportunities	Threats
<ul style="list-style-type: none"> • Increase in expenditure on education both from public and private resources, to the average of advanced countries as a minimum • Increase in openness and permeability of educational system, adaptation of educational paths to individual needs, systematic development of talents • Improvement of infrastructure for development of human resources (school system, enterprising) • Implementation of a system of lifelong learning of citizens, including its information and consultancy support, and improvement of tools motivating citizens to get involved in further education • Utilisation of capacities of the existing infrastructure of school facilities for further education • Opening the school system to co-operation with the public and entrepreneurial sphere • Development of quality and offer of technical and natural science education and its diversification • Significant improvement of quality and efficiency of language education • Increase in share of students studying in tertiary education, primarily at its lower level, focusing on older population groups • Support of professionalisation of teaching staff through their further education • Traditionally strong share of informal educational institutions in the education of children and youth beyond school 	<ul style="list-style-type: none"> • Ageing population and inability to supply the necessary labour force using appropriate immigration policy • Failure to meet the intentions of curriculum reform based on concept of two-stage curriculum (general framework programmes – school framework programmes) due to lack of interest or insufficient readiness of teaching staff • Persisting unreadiness of teaching staff to the diversity of population with the consequence of further discrimination of threatened groups, e.g. members of Roma communities, and intensification of their illiteracy • Drift of high-quality teachers into other branches with better remuneration and low appeal of the teaching branch (partly due to low salaries) • Low level of integration of pupils from disadvantaged environments into regular school classes.
	<ul style="list-style-type: none"> • Intensifying lack of interest of young people in studying technical education branches • Continuance of insufficient co-operation between universities, scientific institutions and the business sector • Departure of talented scientific staff abroad with potential danger to development of R&D capacities in the Czech Republic • Lack of high-quality professionally-oriented school framework programmes at the tertiary level
	<ul style="list-style-type: none"> • Lack of population's interest in further education • Lack of interest on the part of enterprises in providing further education to their employees • Non-existence of a comprehensive system of lifelong learning (particularly as to cohesion of initial and further education), absence of legal framework • Inability of teaching staff to adapt themselves to the needs of adults' education • Missing information about educational offer for further education and consultancy regarding the suitability of its further utilisation for professional career • Inadequate information about trends in labour market needs

II Strategy of Education for Competitiveness Operational Programme

The Lisbon strategy sets forth the objective that will make the EU countries the most dynamic and the most competitive unit in the world, based on a knowledge economy. A unit that is able to achieve economic growth with more and better jobs while maintaining social cohesion. With the aim of achieving this objective, the representatives of EU countries have undertaken to support a radical transformation of economic systems with appropriate emphasis on modernization of social security as well as systems of education. Within the last mentioned area, i.e. the area of educational system modernization, an action area of “Investing more into human capital by means of improved education and skills acquisition” has been defined, which is focused on young people and their knowledge in knowledge economy. The EU also places emphasis on lifelong learning and its effect on and cohesion with the labour market and with the social security system as well. In spite of all the emphasis placed by the EU on the issue of educational systems, specific responsibility for implementation of relevant reforms rests with the member states themselves.

From the perspective of long-term competitiveness it is essential for the Czech Republic to systematically develop a qualified, adaptable and mobile labour force. Placement on the labour market depends primarily on the level of education, qualification and readiness to get further educated and re-trained. By means of EC OP, the level of education will increase through setting up a modern, high-quality and flexible educational and vocational training system, which is a necessary pre-condition for further growth. A knowledge economy requires its labour force to have not only professional qualifications in the given field but also, in particular, extensive language skills, an ability to work with information and master information and communication technologies and their utilisation at an adequate level. Building a further education strategy with emphasis on adapting the programmes to the needs of the middle-aged and older generations will become ever more important in the future, as a consequence of the ageing population, and thus of the prolongation of active life. In terms of the implementation of EC OP, the stage of development of individual regions and the need for support in the given area of education will be taken into account.

Compared to the shortened 2004-2006 programme period, in the 2007-2013 period greater attention will be paid to the transition of the individual from the school to the work environment, while attempts will be focused on monitoring the trends and future needs in the labour markets, and in response, to create and modify school framework programmes.

In accordance with the Regulations and in order to ensure a uniform framework of ESF national system activities in terms of education, a combination of funds from the Convergence Objective and Regional Competitiveness and Employment Objective is to be applied. So called multi-objective focus applies to such activities where it is desirable to cover the entire Czech Republic. Activities of a systemic nature, with a nationwide impact (for instance, activities resulting in the links between initial and further education) fall under priority axes 4a and 4b of the System Framework of Lifelong Learning. Projects to be implemented under these axes will be of a systemic nature and will affect initial, tertiary and further education. The advantage of this approach lies in the assurance of the uniform implementation and management of system activities over the entire Czech Republic.

The multi-objective focus also includes the priority axis Technical assistance that is also to be used to support systemic national projects. The EC OP managing authority shall ensure that resources allocated for the Convergence Objective are not used to finance interventions under the Regional Competitiveness and Employment Objective and vice versa. Simultaneously, the EC OP

Managing Authority shall ensure, in co-operation with the managing authority of the Prague Adaptability Operational Programme (hereinafter referred to as “PA OP”), that the activities carried out under the EC OP are not duplicated by the PA OP activities, i.e. that the same type of activities is not implemented for the same target group. The managing authority shall also ensure sufficient financial allocation to activities of a systems/national nature.

1. Global Objective and Specific Objectives of Education for Competitiveness OP

Global objective

The global objective of EC OP 2007 – 2013 is development of an educational society in order to strengthen the Czech Republic’s competitiveness by modernizing the systems of initial, tertiary and further education, integrating them into a comprehensive system of lifelong learning, and improving conditions in research and development.

Such a defined global objective ensures a significant part of the NSRF Strategic Objective of Open, Flexible and Coherent Society and a Competitive Czech Economy. It is currently in full compliance with the third guideline of the Community Strategic Cohesion Guidelines (CSG) – More and Better Jobs, and with the Economic Growth Strategy of the Czech Republic. At the same time the global objective of EC OP corresponds with the general framework of NRP reform steps for education.

Specific objectives

Specific objectives represent the paths leading to the global objective fulfilment.

The specific objectives of EC OP are as follows:

1. Development and quality improvement of initial education with emphasis on improvement of key competencies of school leavers to increase their employability in the labour market and motivation for further education.
2. Innovation of tertiary education system so as to ensure a link to research and development activity, to increase the flexibility and creativity of graduates employable in a knowledge economy, to make the research and development conditions more attractive, and to create a comprehensive and effective system to support the innovation process as a whole.
3. Strengthening the adaptability and flexibility of human resources as the basic factor of the economy’s competitiveness and sustainable development of the Czech Republic through the further education system development.
4. Establishment of a modern, quality and efficient system of lifelong learning through the development of the system of initial, tertiary and further education, including the mutual interconnection of these individual components of the lifelong learning system.

The specific objectives fall within the priority axis of the NSRF – Open, Flexible and Coherent Society and a Competitive Czech Economy. All the specific objectives form a consistent whole in terms of the content proposal and focus of EC OP priority axis.

2. Identification of Priority Axes of Education for Competitiveness OP

Based on the definition of key moments in the area of education, which are described in the analytical chapter and in SWOT analysis and, based on the above-mentioned strategic materials defining the strategic directions, seven priority axes were identified (including technical assistance) for support from the European Social Fund through EC OP. The priority axes are complementary and fully correspond with the ESF priorities in the 2007 – 2013 programme period.

Priority axis 1 – Initial education¹⁷

This priority axis is focused on supporting the first specific objective of EC OP, which deals with the development and quality improvement of the system of initial education. The priority axis is focused on setting up the initial education system itself so that equal access is accepted with emphasis placed on the support of key skills, ensuring the quality of education of teaching staff and taking consideration of each person's individual talents to increase the employability of school leavers in the labour market and, at the same time, to achieve a positive approach to further education.

This priority axis will primarily be implemented by getting the curriculum reform completed and detailing and providing the comprehensive methodological support for the creation and implementation of school framework programmes and their innovations with necessary emphasis placed in particular on the development of key competencies of pupils. A room will be provided for the implementation of retrospective corrections and innovations of individual steps of the curriculum reform based on monitoring, evaluation, self-evaluation by schools and quality-assuring tools. Among other things, a significant role will be played by school networking and support for the partnership and co-operation of schools, educational institutions and other institutions with special regard to the labour market as well as community development. Integration of Czech schools and educational institutions into international projects will be supported as well.

Within this priority axis, equal opportunities for everybody entering the educational system, and the creation of individual school framework programmes with an emphasis placed on the Roma ethnic issue will specifically be supported. Emphasis will also be placed, in particular, on the support of pupils with special educational needs and on the creation of optimum conditions for pupils with extraordinary talents. Attention will be paid to various aspects of education for sustainable development, particularly to the prevention of racism and xenophobia and to the support of multicultural and environmental training and education. Increased attention will be devoted to the education of foreigners living in the Czech Republic. Furthermore, the system of assistance services will be supported and enhanced with emphasis on the prevention of early school leavers, including the support of “a safety net” for fast return into the system of initial education. The system will also be extended to the area of interest education and informal education. Attention will also be devoted to the development of career consultancy.

Last but not least, the creation of a motivating system of further education for teaching and non-teaching staff of schools and educational institutions will be significantly supported, along with

¹⁷ For the purpose of this priority, the initial education shall mean basic and secondary education.

the systematic support of this education with emphasis placed on both professional competencies and competencies leading to the improvement of management abilities necessary for the further development of schools and educational institutions.

Priority axis 2 – Tertiary education, research and development

This priority axis fulfils the second specific objective of EC OP and is focused on the modernisation of tertiary education, including making the system of tertiary professional education more attractive. Meeting the objectives of this priority axis will result in increased flexibility and creativity of school leavers employable in a knowledge economy. The priority axis is further focused on developing and making the research and development more attractive, and supporting the partnership and networks.

In the area of tertiary professional education, the significance of tertiary professional schools will be strengthened, the position thereof in the educational system will be specified, and the connection between tertiary professional schools and higher education system will be defined. In the area of higher education, emphasis will be placed on such an offer of study programmes (especially at the level of bachelor's studies) that will reflect the labour market trends and knowledge economy requirements (including training for business) as much as possible. Emphasis will also be placed on the development and realization of students' potential and on the preparation of young people for the labour market, ensuring their employability and motivation for professional growth in the long-term. The master's, and follow-up doctoral study programmes, in particular, should prepare high-quality graduates with emphasis on their potential activity in research and development work. Support will be given to activities aimed at the extension of teaching modules, which will focus on non-traditional students, i.e. older, already employed students, etc. Emphasis will be placed on making the environment for the people involved in research and development more attractive, and attention will also be paid to increasing the attractiveness of and promoting the research and development on the level of the entire educational system. Attention will be paid to the support of partnership and to the creation of networks between educational and research and development institutions and other institutions in public and private sectors.

Priority axis 3 – Further education

This priority axis will meet the third specific objective of EC OP, which is aimed at strengthening the adaptability and flexibility of human resources for increased economic competitiveness and sustainable development of the Czech Republic through the system of further education. The intent is to perceive further education as an integrated – but at the same time, open system, where the competencies and responsibilities of individual institutions are defined and a national policy of further education is created.

Another objective of the priority axis will be the system support to the Czech Republic's population in mastering general skills, with emphasis on language skills, utilisation of information technologies and support for business.

Apart from the system support, the interventions within this priority axis will also be focused on supporting the offer of further education and strengthening the schools and educational institutions in the "further education market". Mechanisms enabling the collection and dissemination of information on further education and interaction between the supply and demand sides in this area, including consultancy services will be created. Institutions engaged in providing further education will be supported, namely in the area of programmes of further

education to be prepared, including the creation of educational materials, and in the education of their staff providing further education. Within this priority axis, interventions focused on improving the availability and quality of the offer of further education provided by public or non-profit sector institutions will be supported as well.

The intervention will be focused on supporting the offer of further education in the area of interest education; attention will be paid to supporting the informal education and competencies obtained from it.

Priority axes 4a and 4b – System framework of lifelong learning

The priority axis 4a includes the proportion of programme system activities in the Convergence regions.

The priority axis 4b includes the proportion of programme system activities in the Regional Competitiveness and Employment regions.

Regarding the fact that planned system activities are de facto inseparable in terms of their geographical applicability (i.e. in terms of objectives stipulated in Article 3, Regulation 1083/2006) and that they always affect the entire Czech Republic, both priority axes have identical contents.

The objective of these priority axes is to implement national system activities related to 1, 2 and 3 material priorities at the nationwide level. They concern specific priority axis created in order to support and finance activities fostering the creation of the system at the level of primary, tertiary and further education.

In the area of initial education, emphasis will be placed on providing selected activities through a systematic approach focusing on curricular reform, evaluation, further education of teaching staff and the provision of equal opportunities for children and pupils.

In the area of tertiary education, research and development, efforts will be directed to the establishment of a system and institutional framework for tertiary education and human resource development in research and development activities.

The key activity related to further education concerns the establishment of a system and institutional framework for the provision of further education, including the verification and acknowledgement of its results, and its auxiliary information and consultancy system.

Priority axes 5a and 5b – Technical assistance

The priority axis 5a includes the proportion of programme activities in the Convergence regions.

The priority axis 5b includes the proportion of programme activities in the Regional Competitiveness and Employment regions.

The objective of these priority axes is to support effective management and implementation of Education for Competitiveness OP. Within this priority axes, the activities supporting management, implementation, checking, monitoring, evaluation and publicity of EC OP will primarily be funded.

Horizontal themes of EC OP

Equal opportunities

The principle of equal opportunities was respected in all priority axes when compiling the EC OP. Projects will be assessed from the perspective of ensuring equal access to the opportunities offered. The target solution is to support projects that will help remove barriers preventing from the participation of target groups in projects that are related to discrimination based on sex, racial and ethnic origin, disability, age, religion, sexual orientation, and socio-economic environment.

When applying the principle of equal opportunities, special attention will be paid to women. In present, the position of women in the labour market is usually characterized by lower wages, a low number of women in management positions, and a continued feminisation of certain branches.

Projects will be assessed from the perspective of offered opportunities and accompanying measures that will help the target groups remove all barriers preventing from the participation in the projects.

Sustainable development

The principles of sustainable development have to be taken into account across the society's life, in the area of economy, environment, transport, tourism, the population's health, education, employment, and social integration. The principles of sustainable development will be enforced in EC OP through the integration of environmental education in the creation of new school framework programmes for both students and teachers and through the education for development and use of modern and environmentally friendly technologies.

Rationale for the thematic, geographic and financial focus of the priority axes

The EC OP priority axes cover areas stipulated by the ESF Regulation, in particular, the following areas:

- reform of systems of education and vocational training;
- increase of lifelong participation in education and vocational training;
- increase of accessibility and quality of initial, vocational and tertiary education and vocational training;
- development of human potential in the area of research and innovation.

In accordance with the European Employment Strategy and ESF policy, the programme financial resources are channelled into measures and activities carried out in favour of individuals, as well as for developing the educational system (system activities at the national level under the priority axes 4a and 4b). A table showing the degree of links between EC OP and Article 3, Regulation 1081/2006 on ESF is to be found in Appendix 6.

The highest volume of financial resources is accordingly allocated to the priority axes focused on initial and tertiary education. Activities defined under these priorities, to a large extent, are linked to Measure 3.1 and 3.2 of the HRD OP, implemented in the 2004-2006 programme period. Compared to allocation in that period, under EC OP a significant increase can be seen, in

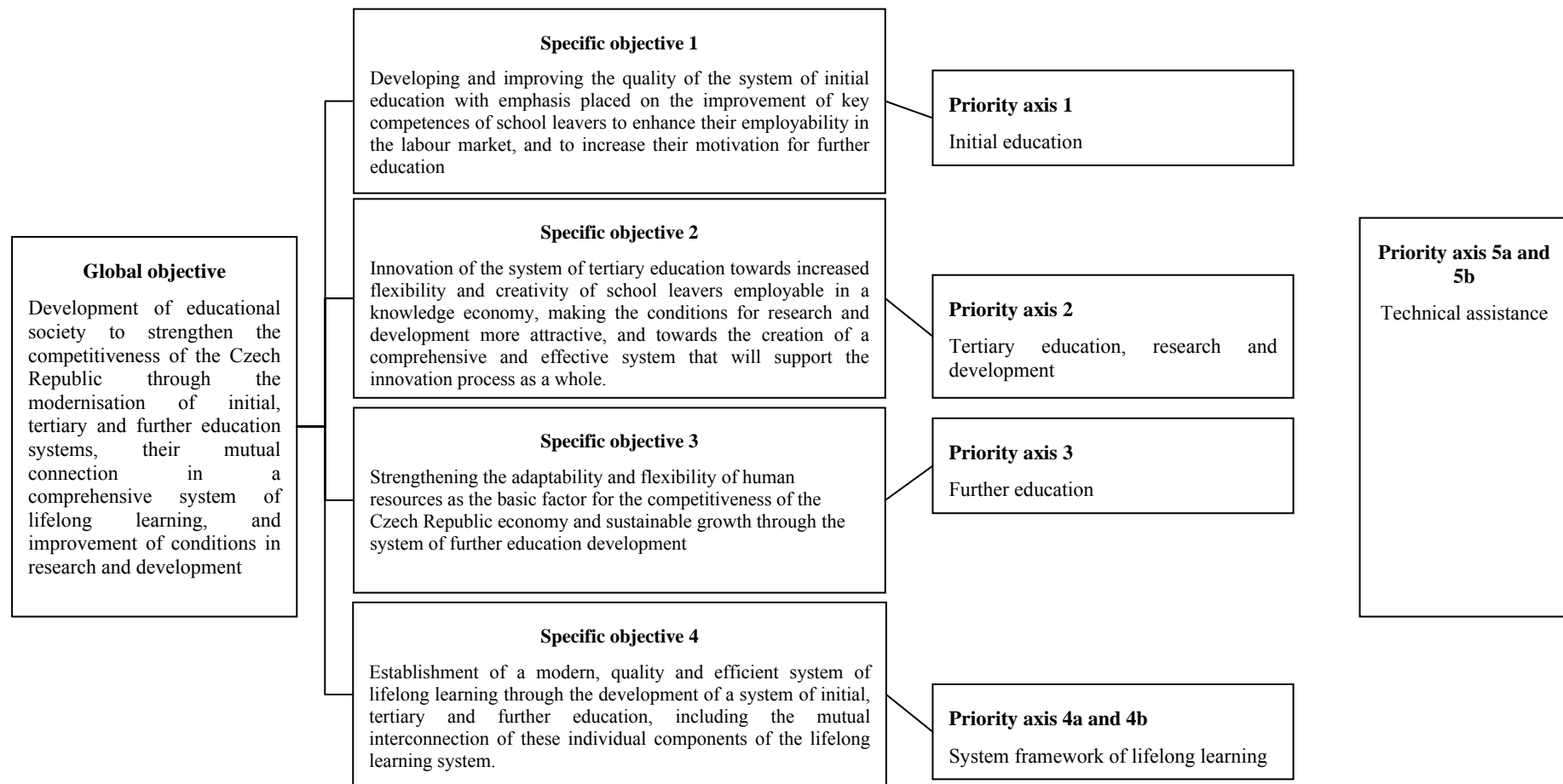
particular based on the experience from the HRD OP showing a high absorptive capacity in terms of initial and tertiary education.

Regarding the fact that further education is tackled not only by the EC OP, but also partially from the HRE OP (Priority axis 1 Adaptability, Further Education in Companies), a lower amount of resources has been devoted to the priority axis 3.

In relation to the multi-objective focus of the EC OP, the priority axes 4a and 4b are focused exclusively on activities of a systemic nature that must be implemented at the national level. Based on the pro rata calculation (details provided in Chapter V) about 11.64% of financial resources fall within this area; these resources will be spent on system activities of initial, tertiary and further education.

The EC OP financial framework does not explicitly set allocations for individual regions, however, under the implementation strategy (or implementation of global grants through regions as IB) financial resources will be distributed to the regions with respect to the number of pupils in schools and educational institutions (priority axis 1) and level of economically active population (priority axis 3) in each region. The situation in some regions where a high number of pupils leave the educational system prematurely and there is a low proportion of participation in tertiary and further education, will also be taken into account.

Chart 1: Objectives and Priority Axes of Education for Competitiveness OP



3. Consistency of Education for Competitiveness OP with Strategic Documents

The strategy of the Education for Competitiveness Operational Programme is in full compliance with the basic strategic documents of the Czech Republic. EC OP fully reflects the National Strategic Reference Framework 2007 – 2013 (hereinafter referred to as “NSRF”), and is based on the National Lisbon Programme 2005 – 2008, on the National Reform Programme of the Czech Republic (hereinafter referred to as “NRP”), on the Economic Growth Strategy (hereinafter referred to as “EGS”), and on the National Innovation Policy (hereinafter referred to as “NIP”) as well. At the same time, EC OP supports the main lines of the National Education Development Programme in the Czech Republic (the “White Paper”) and areas defined in the Long-term Development Plan for Education and the Educational System 2002, and particularly 2005. Last but not least, EC OP reflects the conclusions and recommendations of strategic documents laying down the policy in the area of human resource development, which include the Human Resources Development Strategy for the Czech Republic 2003 and the associated HRD Strategy Implementation Programme from 2005.

EC OP further respects the Cohesion Policy for support of growth and employment: Community Strategic Cohesion Guidelines (hereinafter referred to as “CSG”), Communication from the Commission to the Council and the European Parliament – Integrated Guidelines for Growth and Jobs, and Regulation on the European Social Fund.

Consistency of Education for Competitiveness OP with the Community Strategic Cohesion Guidelines

EC OP develops primarily two CSGs: Encouraging innovation, entrepreneurship and the growth of the knowledge economy by research and innovation capacities, including new information and communication technologies, and Creating more and better jobs by attracting more people into employment or entrepreneurial activity, improving adaptability of workers and enterprises and increasing investment in human capital.

It also indirectly supports the first CSG: Making Europe and its regions more attractive for investors and working population by encouraging environmental education within the curriculum reform and education of workers engaged in the area of environment and sustainable technologies.

The CSG: Creating more and better jobs supports human capital and its further development through priority activities in terms of policies of the EU member states, which focus on integrating people in employment and retaining in employment, improving adaptability of workers and enterprises and improving investment in human capital through better education and qualification. This CSG further specifies the general priorities (support of a coherent and comprehensive lifelong learning strategy is mentioned specifically) that are necessary for the knowledge economy, including support for establishing partnerships among regions and cities in terms of education and vocational training. There is also mentioned the support in terms of developing and implementing educational and vocational training systems and strengthening the relations among universities, research and technological poles and enterprises.

The CSG – Improving knowledge and innovation: Path to growth calls the EU member states to strengthen the building of capacities in R&D, including research infrastructure and human capital in areas with considerable growth potential and, at the same time, to strengthen co-operation

among enterprises and public/university institutions through support for the creation of regional and supraregional networks of excellence.

From the perspective of compliance of the Education for Competitiveness OP strategy with the Community Strategic Guidelines we can say that the Operational Programme fully complies with CSG.

Table 15: EC OP Strategy and CSG Links

Community Strategic Guidelines	Priority axes of Education for Competitiveness Operational Programme			
	Priority axis 1	Priority axis 2	Priority axis 3	Priority axes 4a/4b
Making Europe and its regions more attractive places in which to invest and work – Guideline 4.1				
Strengthening the co-ordination between environmental protection and growth	★★	★★	★★	★★
Improving knowledge and innovation: Path to Growth – Guideline 4.2				
To increase and improve investments into research and technological development		★★★		★
To facilitate innovations and encourage entrepreneurship	★★	★★	★★★	★
To support an information society for all	★★	★★	★★	★
Creating more and better jobs – Guideline 4.3				
To attract more people into employment, to ensure that they retain in employment, and to modernize social protection systems			★	
To increase the adaptability of employees and enterprises and the flexibility of labour markets			★★	
To increase investment in human capital through better education and qualifications	★★★	★★★	★★★	★★★
Administrative capacity			★	

Notes: ★★★ significant link
 ★★ medium link
 ★ low link
 no link or indirect mediated impact

Consistency of Education for Competitiveness OP with the National Strategic Reference Framework

Open, Flexible and Coherent Society is one of the strategic objectives of NSRF, which focuses on the quality of social life of Czech Republic inhabitants and on an increase in employment. This strategic objective is implemented by the priority axis Development of a Modern and Competitive Society, which focuses on the activation of human potential of the Czech Republic by developing and motivating lifelong learning in response to trends initiated by the development of knowledge economy, which take place within Europe, and also to needs to increase society's adaptability and flexibility in respect of processes taking place in the globalised world, with emphasis on language skills and IT competencies as well. Further, it focuses on increasing the qualifications and adaptability of human resources, and thus also employment and employability,

in accordance with the development needs of the economy and labour market. This is closely related to promoting education for enterprising and measures aimed at an inclusive and flexible labour market with qualified, flexible and healthy labour force. EC OP is also linked to the Competitive Czech Economy strategic objective. As to the link of EC OP priorities and the NSRF priority axis, the Operational Programme draws particularly on the priority axis Development of a Modern and Competitive Society, and Strengthening the Competitiveness of the Czech Economy. Implications of EC OP can also be found in the priority axis Environment and Availability and Balanced and Harmonic Development of the Czech Republic's Territory.

From the perspective of compliance of the Education for Competitiveness OP strategy with the National Strategic Reference Framework we can say that the Operational Programme fully complies with NSRF.

Table 16: EC OP Strategy and NSRF Links

National Strategic Reference Framework	Priority axes of Education for Competitiveness Operational Programme			
	Priority axis 1	Priority axis 2	Priority axis 3	Priority axes 4a/4b
Strengthening the competitiveness of the Czech economy				
Competitive business sector		★	★★	★
Support of R&D and innovation capacities		★★★		
Development of sustainable tourism			★	
Development of a modern and competitive society				
Education	★★★	★★★	★★★	★★★
Increasing the employment rate and employability	★★	★★	★★★	★★
Strengthening social cohesion	★★		★★	★★
Development of an information society	★★	★★	★★	★★
Environment and accessibility				
Protection and improvement of environmental quality	★★	★	★★	★
Balanced and harmonic development of the Czech Republic's territory				
Balanced development of regions	★★		★★	★★

Notes:

- ★★★ significant link
- ★★ medium link
- ★ low link
- no link or indirect mediated impact

Consistency of Education for Competitiveness OP with the National Reform Programme

In response to the Lisbon Strategy, the NRP defines a separate priority of education in the employment section, listing specific priority measures, which among other things emphasise the necessity to make curriculum reforms, develop tertiary education and key competencies, build the concept of lifelong learning, improve the link of the systems of initial and further education,

support the development of further education in companies and the co-operation between employers and educational institutions and vocational professional institutions. Last but not least, NRP defines an environment that stimulates research, development and innovation as the priority in microeconomics, and sets forth specific measures in R&D aimed at achieving the objective; in addition, a measure emphasizing the necessity of effective use of ICT is defined.

From the perspective of compliance of the Education for Competitiveness OP strategy with the National Reform Programme, we can say that the proposed Operational Programme fully complies with NRP.

Table 17: Consistency of EC OP with NRP

National Reform Programme 2005-2008	Priority axes of Education for Competitiveness Operational Programme			
	Priority axis 1	Priority axis 2	Priority axis 3	Priority axes 4a/4b
Entrepreneurial environment – priority measures				
To simplify entry into enterprising	★	★	★★★	★
Research and development, innovation – priority measures				
To increase the intensity of use of intellectual property protection tools by scientific research institutions and enterprises		★★★		
Sustainable use of resources – priority measures				
To support environmentally friendly technologies	★	★	★	★
Modernization and development of transport and ICT networks				
To support the development and selective use of ICT	★	★★	★	★
Integration into labour market – priority measures				
To reduce the unemployment of young people aged under 25	★★	★★★	★★	★★
To increase the participation of older persons in the labour market			★★★	
To simplify the entry of foreigners onto the labour market	★	★	★★	
Education – priority measures				
To implement the curriculum reform	★★★			★★★
To extend the access to tertiary professional and higher education		★★★		★★★
To support the co-operation between employers, employees and educational and vocational professional institutions	★★	★★★	★★★	★★★
To improve the interconnection of systems of initial and further education	★★	★★★	★★★	★★★

To support the permeability between individual levels of tertiary education		★★★		★★
To increase information education	★★★	★★★	★★★	★★

Notes: ★★★ significant link
 ★★ medium link
 ★ low link
 no link or indirect mediated impact

Consistency of Education for Competitiveness OP with the National Education Development Programme in the Czech Republic

The National Education Development Programme in the Czech Republic formulates thought bases, general intentions and development programmes that should be authoritative for the development of the educational system in the Czech Republic. The National Education Development Programme defines 6 basic strategic lines that should contribute to the fulfilment of continuous strategic objectives.

From the perspective of compliance of the EC OP strategy with the National Education Development Programme in the Czech Republic we can say that the Operational Programme fully complies with the latter.

Table 18: Consistency of EC OP and the Czech Republic National Education Development Programme

Czech Republic National Education Development Programme	Priority axes of Education for Competitiveness Operational Programme			
	Priority axis 1	Priority axis 2	Priority axis 3	Priority axes 4a/4b
Implementation of lifelong learning for all				
To secure the availability of education and permeability of the educational system at all levels	★★★	★★★	★★★	★★★
To support individualisation and differentiation of the educational process at all levels of the educational system	★★★	★★★	★★	★★★
To support education of disadvantaged individuals	★★★	★★	★★	★★★
To enable 50% of the relevant population year group to access tertiary education		★★★	★★	★★
To support development of distance education		★★★	★★★	★
To process and establish a system of financial and non-financial incentives for development of adult education			★★★	★★
Adaptation of educational and study programmes to the needs of life in a knowledge society				
To draw up a State School Framework Programme for Children and Youth aged 3-19	★★★	★		★★

Czech Republic National Education Development Programme	Priority axes of Education for Competitiveness Operational Programme			
	Priority axis 1	Priority axis 2	Priority axis 3	Priority axes 4a/4b
To support implementation of a new concept of the State School Framework Programme particularly in priority areas (languages, ICT, environmental education, key competencies, support materials)	★★★	★★★	★★	★★
To connect study programmes in the tertiary sector with scientific, research and development or other creative activity both in schools and outside schools		★★★		★★
To utilise international co-operation in the creation of study programmes and development of mobility of teaching and academic staff and students	★★	★★	★★	★
Monitoring and evaluation of quality and efficiency in education				
To finish building up the evaluation and information systems of the regional school system	★★★			★★★
To create a system of diagnostic evaluation of pupils and extend the existing consultancy system	★★★			★★★
To finish building up the tertiary education evaluation system		★★		★★★
To prepare and implement mechanisms assuring the quality of further education			★	★★★
Support of internal transformation and openness of educational institutions				
To establish the School Development Programme and continue the activity of the University Development Fund		★★		
To build infrastructure to support the work of schools	★	★		★
To extend the functions of primary and secondary schools	★★		★	
To enhance the role of cultural educational institutions and civic associations in education and training	★★		★	★
To strengthen the role of tertiary education institutions in regional development		★★		★
Transformation of the professional perspective role of teaching and academic staff				
To define and increase the qualification level in all categories of teaching staff	★★★	★★★	★	★★★
To increase the quality of preparatory education of teaching staff		★★★		★★
To finish building up a further education system for teaching staff	★★	★★	★	★★★
To increase the scientific and pedagogical level of teaching and academic staff in the tertiary sector of the educational system		★★★		

Czech Republic National Education Development Programme	Priority axes of Education for Competitiveness Operational Programme			
	Priority axis 1	Priority axis 2	Priority axis 3	Priority axes 4a/4b
Transition from centralized management to responsible co-decision-making				
To make use of indirect management tools, particularly innovative and development programmes	★	★	★	★
To develop an information and knowledge basis for the managerial sphere and educational practice		★		
To take care of human resources in the system of management of the educational system	★★	★★	★	★★
To create a legal framework for adult education			★★	★★★

Notes:

- ★★★ significant link
- ★★ medium link
- ★ low link
- no link or indirect mediated impact

Consistency of Education for Competitiveness OP with the 2005 Long-term Development Plan

The 2005 Long-term Development Plan formulated by the Ministry of Education, Youth and Sports is targeted at progress and development in specific components of individual areas. The 2005 Long-term Development Plan identifies six strategic directions, which (unlike the 2002 Long-term Development Plan) place more emphasis on ensuring equal opportunities for education. EC OP supports the implementation and fulfilment of all six strategic directions, which include quality improvement and modernisation of education (curriculum reform), quality assurance, monitoring and evaluation of education, ensuring equal opportunities in education, development of an integrated consultancy system in the school system, an increase in the professional skills and social position of teaching staff, and support of further education.

The aim of MEY&S is to create a competitive, richly diversified system that will develop the potential of people for the labour market and will provide for their employability.

From the perspective of compliance of the Education for Competitiveness OP strategy with the Long-term Development Plan we can say that the Operational Programme fully complies with it.

Consistency of Education for Competitiveness OP with the Czech Republic Economic Growth Strategy

The objective of the Economic Growth Strategy is to bring the Czech Republic significantly closer to the economic level of more economically developed countries of the European Union, while respecting the principles of sustainable development, an increasing standard of living and a high level of employment. Five priority lines are defined by this Economic Growth Strategy plan. EC OP significantly supports the 4th priority line, i.e. Human Resource Development and Employment, and partially supports the 5th priority line, i.e. Research, Development and Innovation. EC OP particularly supports the draft of Economic Growth Strategy for simplifying the access to tertiary professional and higher education and increasing the quality of the primary and secondary school system. EC OP further supports the involvement of disadvantaged pupils,

extension of the offer of further education with emphasis on language knowledge and ICT. In the area of research and development, EC OP supports the education of research and development employees in the field of intellectual property protection and an increase in the level of graduates from scientific and technical study programmes at universities. In addition, EC OP supports the motivation to graduate from natural science study programmes at universities; and, last but not least, it promotes the priority of the Czech Republic Economic Growth Strategy, which addresses the issue of school framework programmes for research and development employees and R&D managers.

From the perspective of compliance of the Education for Competitiveness OP strategy with the Czech Republic Economic Growth Strategy we can say that the Operational Programme fully complies with it.

Consistency of Education for Competitiveness OP with the Czech Republic National Innovation Policy for 2005 – 2013

One of the objectives of the National Innovation Policy is to provide human resources for innovations, particularly for innovation processes in the necessary structure at all levels. EC OP is focused on removing the unsatisfactory structure of university graduates, motivating for graduation from scientific and technical study programmes, creating new school framework programmes oriented to research and development workers and managers, and removing obstacles in the mobility of human resources for innovation processes.

From the perspective of compliance of the Education for Competitiveness OP strategy with the Czech Republic National Innovation Policy we can say that the Operational Programme fully complies with it.

Consistency of the Education for Competitiveness OP with the Human Resources Development Strategy for the Czech Republic

The Human Resources Development Strategy for the Czech Republic (hereinafter referred to as “HRDS”) defines 5 objectives that should contribute to increasing the competitiveness of the Czech Republic in the global market by taking care of human resource development and the development of education as a whole, i.e. education that in all areas, sectors and phases prepares economically active citizens for work and life in an information and knowledge society. The first objective of HRDS is to establish lifelong learning as normal practice. The second objective is to prepare the human resources of the Czech Republic for the challenges brought by information and knowledge society, global economy, the necessity of sustainable development, and EU membership. The third objective is to increase the international competitiveness of the Czech economy and its attractiveness to investors. The fourth objective is to increase the employment of labour force and to positively influence the employment. The last objective is to improve the utilisation of limited resources and mobilisation of the necessary means for development of human resources.

From the perspective of compliance of the Education for Competitiveness OP strategy with the Human Resources Development Strategy for the Czech Republic we can say that the Operational Programme fully complies with it.

Consistency of the Education for Competitiveness OP with the National Action Plan for Social Inclusion for 2006 to 2008

The first priority objective of the National Action Plan for Social Inclusion is focused on fostering the integration of individuals at risk of social exclusion through removing the disadvantages in access to education for children and youth coming from a social and culturally disadvantaged environment, children with physical disabilities and children and youth threatened by social exclusion for other reasons. Fully in compliance with the above intention, the EC OP emphasizes the improvement of equal opportunities for children and pupils, including pupils with special educational needs. The EC OP will support the improvement of teaching staff competencies regarding the removal of obstacles preventing equal access to education. It will also focus on the development of careers guidance, specifically for pupils at risk of finishing their education prematurely, as well as on the establishing early provision of minimum guaranteed care for children from socio-culturally disadvantaged environments. This programme will also support the development of consultancy services and the expansion of role for classroom assistants, special pedagogical and psychological services for pupils with special educational needs. In order to prevent social exclusion of foreigners living in the Czech Republic, the EC OP shall create conditions for their education, especially in Czech language teaching. The EC OP will also assist in tackling the issue of social inclusion by supporting multi-cultural education to prevent racism and xenophobia that could result in social exclusion. The aim of the National Action Plan for Social Inclusion to support the lifelong learning of senior citizens is expanded by the EC OP through extensive forms of support given to further education.

Consistency of the Education for Competitiveness OP with the EU Council Recommendation on the Implementation of Member States' Employment Policies

The Council Recommendation of 14 October 2004 (2004/741/EC) on the implementation of member states' employment policies appeals to EU member states to invest more and more efficiently in human capital and lifelong education. Support for vocational education should be focused primarily on individuals with low qualifications and older employees. The recommendations and priorities set forth by this document and applicable to the CR emphasize the necessity to intensify efforts to integrate, in particular, the Roma population in regions other than Prague and place greater emphasis on education, vocational training and entrepreneurship. Crucial is the recommendation to invest more and more efficiently in human capital and lifelong learning. A greater participation of the population in higher education and vocational training should foster professional and geographic mobility. The EC OP respects all the above recommendations and their priorities are elaborated in particular measures.

Consistency of the Education for Competitiveness OP with the 7th Framework Programme

The synergy between the 7th Framework Programme and the EC OP will be ensured by the shared logic that directly lies behind the interventions of both programmes. The projects under the ESF will be focused primarily on the issue of human resource development in the area of research and development, both having a regional and national scope. The 7th Framework Programme is primarily focused on human resource development with a European and worldwide scope.

4. Link of Education for Competitiveness OP to other Operational Programmes

EC OP and the other Operational Programmes complement one another. These are, in particular:

- **The Research and Development for Innovation OP (R&DI OP)** which comprises the Research and Development Capacity Development priority axis focused on promoting the research and development capacities, poles of excellence and supporting the R&D for

innovations in non-industrial branches. The programme also comprises the priority axis “Development of capacities for the co-operation of public and private sectors in research and development”, which is to support permanent and effective co-operation between these two environments, and the priority axis “Reinforcement of university capacities in tertiary education”. R&DI OP will be financed from ERDF, with MEY&S being its managing authority. The synergy effects of both programmes will be achieved by combining “soft” financial funds from ESF intended for human resources in the area of tertiary education and research and development, and “hard” ERDF funds supporting investments so that both types of projects can be combined appropriately. The priority axis that complements the R&DI OP under the EC OP is priority axis 2, especially in the support area 2.2 Higher education and 2.3 Human resources in research and development. The EC OP projects in research and development, related to building up capacity, will be assessed during their selection procedure as to how they fulfil the objectives of the correlated project R&DI OP. The co-ordination of the implementation process and the monitoring of synergic effects between both programmes will be carried out by MEY&S, which is the Managing Authority for both OP’s and thus may monitor the mutual link between the implemented activities, or take measures to strengthen this link.

- **The Enterprise and Innovation OP (E&I OP)** which is focused on improving the conditions for enterprise and innovation support. The programme will be financed from ERDF, and the Ministry of Industry and Trade will be its managing authority. EC OP will create space for more effective education of employees in companies by setting up a system framework of further education and developing the offer of further education. Direct implementation of the programmes of further education will be supported in HR&E OP. Likewise, co-operation between entrepreneurial entities and educational institutions (particularly universities) and research organisations in developing modern educational programmes will be supported in EC OP. The synergic effects will be achieved towards E&I OP by means of priority axis 2 of the EC OP, Tertiary education, research and development, supporting motivation to study science programmes, activity in the research area and development of human resources in research and development. On the other hand, E&I OP will stimulate the private sector to engage in more intensive co-operation with research and development institutions and support the establishment and operation of a network of co-operating entities (bringing together professional interests, or focusing on co-operation in research and development).

A number of co-ordination mechanisms will be set up between E&I OP and R&DI OP that will be reflected in the EC OP implementation, as this OP is significantly linked to both R&DI OP and E&I OP.

- **Human Resources and Employment OP (HR&E OP)**, which is primarily focused on promoting an active employment policy and improving the access to work, on the permanent integration of persons seeking jobs into the labour market, and unemployment prevention. Therefore, HR&E OP is primarily focused on the unemployed and persons threatened with loss of employment. HR&E OP further deals with the area of social integration of equal opportunities. Modernisation of public administration is a separate area of HR&E OP. HR&E OP also addresses the creation of systems to foresee changes in the labour market and cope with both progressive and sudden changes in employment, and supports activities aimed at increasing employability and obtaining, enhancing and improving the capacity for performance of occupation. The programme will be financed from ESF, and the Ministry of Labour and Social Affairs will be its managing authority. The synergy effect of both programmes will be given by the link between the quality of the educational system and

graduates from this system and harmonisation of the needs and requirements of the labour market. Besides, EC OP will pay attention to pupils and students with special educational needs, with emphasis on their future employability in the labour market. Under the EC OP, priority axis 3 is, in particular, complementary to the HR&E OP, namely in the support area 3.2 Support of the offer of further education.

- **Environment OP (E OP)**, which is focused on improving the quality of the environment as a necessary precondition for the attractiveness and competitiveness of the country and its regions using innovative effects of environmental policy for sustainable development. The programme will be financed from the ERDF and the Cohesion Fund (CF), with the Ministry of the Environment being its managing authority. The synergy effects of both programmes will be achieved by combining the non-investment support of environmental education and training within the scope of the newly created school framework programmes from EC OP and investment support for the development of infrastructure for environmental education, consultancy and enlightenment from EC OP. Under the EC OP, all priority axis are complementary to the E OP, as environmental education and education towards sustainable growth will be reflected as a horizontal theme and as independent activities when implementing all support areas.
- **Prague Adaptability OP (PA OP)** is focused on supporting the development of a knowledge economy, promoting the entry into the labour market, and modernisation of initial education within the territory of the capital city of Prague. The programme is co-financed from ESF, with Prague Municipal Council being its managing authority. Within the Prague area, the outcomes of the national system projects implemented under priority axes 4a and 4b of the EC OP will be applied. Activities implemented under the PA OP will be complementary to the activities implemented under all priority axes of the EC OP, primarily due to the fact, that the regional provision of these activities falls to the Regional Competitiveness and Employment Objective, the only such body in the Czech Republic.

The mutual links (complementarity) of the Operational Programmes co-funded from the ESF (EC OP, HRE OP and PA OP) shall also be ensured during their implementation, based on co-operation and mutual co-ordination of activities. Detailed description of these activities is mentioned in Chapter IV Implementation of Education for Competitiveness OP (part 1.7 Co-ordination within framework of ESF).

The set of the above-mentioned inter-linked OPs is an important element in fulfilling the targets of the Lisbon strategy, consisting in strengthening the role of knowledge economy in stimulating employment growth and competitiveness of EU member states, and creating a system to stimulate research, development and innovations. The synergy effect is further emphasized in the environment of **individual Regional Operational Programmes (ROP)**, which are linked to the system of sector OPs, focusing their subsidy entitlements on solving problems that are related to a specific region of the Czech Republic. Thereby they support the use of the given territory's potential and contribute to its balanced development. The global objective of ROP is to accelerate the development of the Czech Republic's regions, increase their competitiveness and attractiveness for investments, and to improve the quality of life of the population, while respecting a balanced and sustainable development of regions based on utilisation of their potential. EC OP supports the development of the further education system and its concept, including the support of innovative approaches and inter-connection of research and development

with what happens in practice. In this respect, synergy effects take place with ROP support focused on increasing the region's prosperity by creating an environment for the development of small and medium-sized enterprises and investments in infrastructure of greater scope in the area of schools and educational institutes established by the municipalities and regions. Last but not least, EC OP also supports the modernisation and improvement of conditions for the population living in cities and in the countryside, relating to the quality of education (including the availability of further education) and leisure-time activities that contribute to increasing the attractiveness of these territories for economic development.

7 regional OPs financed from ERDF are being prepared in individual NUTS 2 regions for the 2007-2013 programme period. These programmes, on a bigger or smaller scale, provide space for building the capacities of educational facilities in regions. The managing authority responsible for proper implementation of the regional Operational Programme is the Regional Council of the relevant cohesion region.

In addition to mutual co-ordination under the ESF, the co-ordination and links between the EC OP and ROP's will be ensured and appropriately institutionalised according to specific thematic areas (e.g. in the area of developing regional educational capacity, etc.). The regions will be responsible for the implementation of global grants under the priority axes 1 and 3 of the EC OP, and thus they have the possibility to monitor the link between projects implemented within their region (ESF projects and their complementary ERDF projects financed through ROP). The representatives of the region will be members of the EC OP monitoring committee, which will also serve as a platform for informing regions regarding the progress of activities implemented within their regions in terms of "hard" investments under the ROP's, and identifying possible issues that would be appropriate to solve together in order to achieve a greater link between the activities financed from the ROP's and the EC OP. An important tool for monitoring the link between both types of programmes is the fact that under the evaluation of projects submitted to the ROPs, one of the criteria will be the requirement to show synergy between the ROP project and ESF activities.

Within the EC OP there is no overlap with respect to actions defined in the Fishing Operation Programme (co-financed from the European Fishing Fund, EFF) and the 2007 – 2013 Rural Development Programme of the Czech Republic (co-financed from the European Agricultural Fund for Rural Development, EAFRD).

Under the Fishing OP management, the co-ordination and co-operation with the managing authorities of ESF national Operational Programmes, i.e. HRE OP and EC OP will be ensured, primarily in the area of education or re-qualification of workers.

The Rural Development Programme will support specific vocational education, consultancy and information for agricultural entities and entities engaged in forestry under the EAFRD areas, as well as supporting other entities active within the rural environment, and providing locally specific education and information to foster business development. All other training, education and information, schooling, research in agriculture, forestry, and rural development will be supported by the cohesion policy, therefore also from the EC OP.

The co-ordination between the EC OP and programmes co-funded by the EAFRD and EFF will be ensured by exchanging the relevant information between the respective managing authorities.

With respect to the possibility of cross-financing, activities related to education under the 10% framework at the priority axis level, will be implemented, for instance, under Prague

Competitiveness OP (ERDF, Regional Competitiveness and Employment Objective). However, always as complementary activities related to specific projects without any significant overlaps with activities supported under the EC OP.

5. Impacts of Education for Competitiveness OP

Fulfilment of the programme's specific objectives will be implemented while respecting joint horizontal principles.

Horizontal themes

Education for Competitiveness OP covers two main horizontal themes:

- Equal opportunities
- Sustainable development.

Horizontal themes with their cross-sectional nature have an impact on all areas supported by structural funds. For EC OP, these horizontal themes represent tools by means of which global and specific objectives are integrated across the spectrum of three vertical priorities of the programme. Horizontal themes will be respected when selecting projects, and their fulfilment will be monitored in the project implementation phase and subject to audit at the place of implementation. Their effects on the situation in the area of education, science and research will be evaluated within the scope of the evaluation system of the Education for Competitiveness OP.

Equal opportunities

The objective of the general principle of equal opportunities is to combat discrimination of an individual based on nationality, sex, race, ethnic origin, religion, belief, disability, age or sexual orientation. Special emphasis is placed on equal opportunities for women and men.

Equal access to education is a basic precondition for an effective educational system. Within the scope of EC OP, the creation of equal opportunities to involve all groups of the population into the educational process as well as tools facilitating that participation will be supported. Increased attention will be paid to the active involvement of disadvantaged group members with special educational needs or other impairments that complicate their engagement in the regular system of education.

Pursuant to Article 16 of Regulation 1083/2006, disadvantaged groups shall be encouraged to become involved in all stages of the EC OP implementation. When programming, managing, monitoring and evaluating, attention will be paid to the equal treatment principle in order to ensure all groups have equal access to ESF resources. The process of project selection will set up criteria to prevent any discrimination.

The target group of disadvantaged individuals enjoys a separate area of support 1.2 of priority axis 1 under the EC OP. Likewise, their access to financial resources under all other priority axes will be provided for to the maximum possible extent.

Sustainable development

The individual dimensions of sustainable development, which have to be addressed in relation to structural funds, are as follows:

- Water, air and soil pollution, and noise pollution;
- Consumption of resources, alternative resources and their utilisation;
- Waste and its reduction;
- Biological diversity and landscape utilisation;
- Environmental awareness.

Sustainable development has become a key aspect of the social and economic development of society and, analogically, a key aspect of the education. In this connection, nowadays, we talk about the education for sustainable development, which is not only a partial current educational need but also a long-term integrating principle within the entire education system, i.e. initial and further education, formal, non-formal and informal education.

Within the scope of EC OP, horizontal priority will particularly be implemented through the following:

- Support of curriculum reform and implementation of cross-sectional themes into school framework programmes;
- Support of new contents of education, such as sustainable development and development of study programmes and educational modules focused on sustainable development;
- Support of co-operation between schools and educational institutions in the area of sustainable development at a local level.

It can further be assumed that the implementation of activities in terms of EC OP will have no negative impact on the environment. On the contrary, one of the tasks is to stress the importance of environmental education and training, and to place emphasis on environmentally friendly technologies in terms of the creation of school framework programmes with potential accent put on regional specifics. In this respect, a positive impact on the environment can be expected prospectively.

6. Ex-ante evaluation results

Ex-ante evaluation of programme documents is an integral part of their preparation according to the requirements of the European Union. Ex-ante evaluation of the Education for Competitiveness Operational Programme was prepared in compliance with the suggested European Union requirement as well. The author is the Centre of Regional Sciences and Public Administration of the Faculty of Economics and Public Administration, University of Economics, Prague.

In compliance with the regulations and rules for performance of ex-ante evaluation of programme documents, two basic principles were primarily applied upon implementation and processing of the evaluation:

1) The principle of continuity, i.e. the evaluators continuously evaluated individual parts of the document being prepared and took their particular standpoints to those parts. Within these standpoints they reported primarily their recommendations regarding additions, amendments or modifications to the document being prepared. The standpoints were in the form of both written materials and oral comments.

2) The principle of co-operation, i.e. the evaluators' activity was not performed separately from the activities of the programme document authors themselves; on the contrary, both groups of experts worked in close coordination, e.g. in terms of working groups, individual personal communication between individual team members, or via electronic communication.

3) Principle of active assistance – the evaluation team formulated numerous recommendations and alternatives concerning the analytical part, strategy and indicators.

Due to the application of the above-mentioned principles it was possible to prepare the programme document – the Education for Competitiveness Operational Programme – in a form that in essence reflects the ideas of the evaluation team regarding its contents.

The evaluation team considers the significant application of the partnership principle, i.e. intensive involvement of partners, including regions, in the creation of EC OP as a strength of the hitherto EC OP creation process.

The evaluation team is to confirm that the programme document contains all the relevant parts required by the European Commission.

Standpoint of evaluators to the main attributes of the programme document

During the EC OP preparation, the evaluation team pointed out that the analysis of social and economic situation was too extensive, and recommended making it more concise, removing declaratory paragraphs as well as the primary focus on areas supported through the EC OP. The evaluators discovered that the analysis was not linked with a SWOT analysis and recommended, in terms of the regional dimension, to focus the analysis on NUTS III units – regions. The evaluation team requested that the proposal for the indicator system be reworked and that a more detailed description be completed of the implementation structure. All comments by the evaluation team were accepted by the managing authority and included in the text.

Assessment of general consistency of the document

The Education for Competitiveness Operational Programme is primarily focused on the improvement of quality of the educational system and wider application of the lifelong learning concept in the Czech Republic. The evaluation team is to confirm that the data regarding the quality of the Czech educational system are applied in the analytical part of EC OP to the extent given by the availability of such information, which has created more difficult conditions for formulating the strategic section of EC OP.

The strategic part and definition of priority axes of EC OP reflect the real needs of the Czech Republic in the area of education, which can be financed from ESF. The evaluation team considers the fact that the submitted version of the strategic part has resulted from discussions of the working party comprised of representatives of all significant partners as being positive.

The evaluation team recognizes the agreement on distribution of competencies in the area of further education between the Ministry of Labour and Social Affairs as the managing authority of HR&E OP and the MEY&S as the managing authority of EC OP. This agreement has influenced the formation of EC OP strategy in Priority axis 3: Further education. The stated solution means a division of supply and demand in the area of further education between EC OP and HR&E OP, which will require a close inter-connection and co-ordination of the support provided through them. EC OP is focused on dealing with the expected demand in the labour market; thus, it primarily concerns a reflection of long-term trends and their manifestation in the initial education system. Nevertheless, through the third priority axis, it also attempts to solve the problems related to the current situation in the labour market in terms of developing the relevant offer of further

education. The evaluation team recommends that indirect links with the labour market should be emphasized in EC OP.

Assessment of compliance of the submitted programme document with relevant documents on supra-national and national levels

During its evaluation, the evaluation team identified no discrepancies in relation to supra-national documents outlining the directions of further development of the European Union or the drawing on and utilisation of finances from structural funds.

The submitted Education for Competitiveness Operational Programme is in compliance with the Lisbon Strategy and its follow-up documents, particularly the National Lisbon Programme 2005-2008 – the Czech Republic National Reform Programme. It is also in compliance with the strategic documents of the economic and social cohesion policy, at the European level with the Community Strategic Guidelines (CSG), and at the national level with the Czech Republic National Strategic Reference Framework 2007 – 2013. Successful implementation of the contents of EC OP will undoubtedly contribute to meeting the objectives of the above-mentioned documents.

EC OP is becoming the implementation tool for other national long-term concepts and strategies as well, such as the Czech Republic Long-term Development Plan for Education and the Educational System of the Czech Republic. EC OP also contains a basic description of links to other Operational Programmes (particularly with emphasis placed on HR&E OP and R&DI OP). A detailed description should be integral part of the EC OP Implementation document and relevant methodologies.

Setting-up of indicators

The evaluation team is to confirm that the setting-up of indicators reflects the focus of individual priority axis and areas of intervention. The evaluation team believes that particularly in the case of context indicators it would be appropriate to limit their number, and recommends that for some indicators their real quantification should be considered. The EC OP indicators must be quantified.

Financial plan

The distribution of drawing on financial funds in individual years is characterized by their gradual growth. The evaluation team respects the wide consensus achieved in respect of the distribution of financial funds among individual priority axes of EC OP.

Implementation

Based on Czech Republic Government Resolution No 175/2006, the Ministry of Education, Youth and Sports has been appointed to act as managing authority of EC OP, and the EU Affairs Department (O 60) has been commissioned to perform the relevant functions. Implementation of the programme document is set up according to valid rules and regulations, with further details to be specified in the EC OP Implementation Document.

The evaluation team considers it necessary to specify the information regarding the implementation system in the EC OP Implementation Document (particularly for specific entities that are to participate in management and implementation of EC OP, to specify their roles and mutual relations).

Conclusion

Setting up the implementation system and establishing the system's co-operation links with key partner OPs (particularly HR&E OP and R&DI OP) will be crucial for the successful implementation of EC OP.

The evaluation team is to confirm that the EC OP set in this manner will contribute to meeting the objectives of the economic and social cohesion policy expressed by means of CSG and NSRF of the Czech Republic 2007-2013.

7. Environmental Impacts of EC OP

EC OP is neutral from the point of direct environmental impacts. With regard to its nature (soft support forms), it will be of no impact upon physical aspects of the environment, Natura 2000 localities, etc.

EC OP contributes to extending awareness of the need to respect the sustainable development principles in the Czech population. Within the scope of EC OP, environmental education will be supported and become a systemic part of the lifelong learning concept through all forms of education.

8. Application of Partnership Principle

The partnership principle was applied during the preparation of EC OP in accordance with the Proposal for a General Regulation. A large working party was established for the purpose of preparation and processing of EC OP consisting of representatives of respective public administration bodies and economic and social partners (hereinafter referred to as "Working Party").

Besides the Managing Authority, the Working Party also comprised representatives of organisations directly managed by MEY&S, educational institutions, other departments, all the regions¹⁸, representatives of the Government Council for Non-Governmental Non-Profit Organizations, Government Council for Roma Community Issues and relevant economic and social entities (such as the Chamber of Commerce, and the Czech Republic Union of Industry and Transport). DHV CR, spol. s r.o. was the author of EC OP based on results of tender.

The Working Party participated in the creation of EC OP, holding regular discussions, making comments and suggestions to working papers of the document, and checked and approved the outputs by the author of the Operational Programme.

Individual versions of EC OP were simultaneously discussed at working forums (itinerant meetings), participated in by representatives of MEY&S, other departments, representatives of organizations directly managed by MEY&S, representatives of regions, representatives of the Czech Republic Office of Government (Government Councils), Czech Republic Union of Industry and Transport, and CzechInvest.

The programme was further presented to and discussed with the public (both expert and layman) at public hearings.

¹⁸ On NUTS II level.

The presented Education for Competitiveness OP has resulted from discussions within the Working Party and working forums.

The principle of partnership will also be applied during the implementation, monitoring and evaluation of the Education for Competitiveness OP.

Likewise, pursuant to Article 5 of Regulation 1081/2006, the EC OP shall contribute to the proper administration of public issues in the area of education and schooling (especially through systemic activities implemented nationwide, or activities implemented as part of Technical assistance or supporting capacities of key implementation entities) and support the establishment of partnerships, involving social partners in activities that contribute to the improvement in the quality of education at all its levels.

III Priority Axes and Indicators

Interventions will be implemented through EC OP in 4 priority axes, which are further broken down into 11 areas of intervention. Technical assistance forms a separate priority axis.

Overview of priority axes and areas of intervention:

Priority axis No 1: Initial education

Areas of intervention:

- 1.1 Improving quality in education
- 1.2 Equal opportunities for children and pupils, including those with special educational needs
- 1.3 Further education of employees of schools and educational institutes

Priority axis No 2: Tertiary education, research and development

Areas of intervention:

- 2.1 Tertiary professional education
- 2.2 Higher education
- 2.3 Human resources in research and development
- 2.4 Partnership and networks

Priority axis No 3: Further education

Areas of intervention:

- 3.1 Individual further education
- 3.2 Support of further education offer

Priority axis No 4a System framework of lifelong learning (The Convergence objective)

Priority axis No 4b: System framework of lifelong learning (The Regional competitiveness and employment objective)

Areas of intervention:

- 4.1 System framework of initial education
- 4.2 System framework of tertiary education and development of human resources in research and development
- 4.3 System framework of further education

Priority axis No 5a: Technical assistance (The Convergence objective)

Priority axis No 5b: Technical assistance (The Regional competitiveness and employment objective)

Areas of intervention:

- 5.1 Programme management, auditing, monitoring and evaluation
- 5.2 Programme awareness and publicity
- 5.3 Absorption capacity of entities implementing the programme

Priority axis 1 – Initial Education

1. Background

Since the early 1990s, there have been numerous partial steps taken, the aim of which was to transform the so far centralized and directionally managed system of primary and secondary education. One of the preconditions of this decentralisation was gradual delegation of management to lower levels and differentiation of the roles of individual players in education. The most significant milestone then was the new School Act No 561/2004 Coll., which will enable the implementation of deeper changes in the objectives and contents of education.

Strategic documents of the National Education Development Programme (2001) and the Czech Republic Long-term Development Plan for Education and the Educational System (2002 and 2005) were formulated. Their objectives and intentions are fulfilled primarily by the preparation of legal regulations, concepts and methodologies for changes resulting from strategic directions. The curriculum reform has been brought the farthest at the level of pre-school education (nursery schools), and the process of its implementation is taking place at the level of primary education. The main objective of the reform is a qualitative change in tuition and approach to pupils; it proves true, however, that the key factor for a further successful advancement in the implementation of the curriculum reform, the fulfilment of its objectives and, finally, the actual improvement in quality of initial education is the further education of teaching staff.

The development since the 1990s has been characterized by an increased supply of secondary vocational education and the formation of new branches, as well as changes in distribution of the number of students in individual branches. The number of secondary schools that diversify their offer by getting themselves involved in various educational projects implemented in co-operation with foreign schools with the same or similar focus has been increasing; numerous schools count on this activity in their conceptual schemes.

Numerous steps have been taken to integrate individuals from socially disadvantaged environments. Preparatory classes of primary schools are being set up, and the function of teacher's assistant has been established. The Early Childcare Concept has been defined for children from socio-culturally disadvantaged environments and is intended for children with low cultural and social status (and for their families), covering, in particular, the period from the age of three years until the start of mandatory school attendance. One of the Concept's main objectives is to improve the conditions for educating these children within pre-school education, including the implementation of programmes that focus on pilot screening of early care projects. Projects are also supported to integrate disabled pupils into regular schools. A positive development has been observed primarily in special schools (schools established for pupils with special educational needs).

In spite of the efforts made to place emphasis on individualisation and differentiation of education, most children with special educational needs achieve insufficient education and low qualifications or even no qualifications, which is also one of the causes of social exclusion. This applies to members of Roma community to a large extent. A gradual growth in the number of pupils – foreigners – is another significant fact¹⁹. This fact is related to the need to focus on

¹⁹ As at 30 September 2004, there were 12,113 foreigners attending primary schools and 4,332 foreigners attending secondary schools.

specific needs of this group of pupils, particularly on their language needs, which make up one of key factors for the integration of foreigners, which further determines their full integration into the educational system and further involvement in society and employability in the labour market.

In spite of the indisputable advancement in educational methods at primary and secondary schools, there are still areas where a further advancement is necessary in order to achieve an overall improvement of the education system. The key factor in this respect is full implementation of the curriculum reform, the meeting of its all objectives and inter-connection with support for innovation of educational programmes, and finally the actual improvement of the quality of initial education.

Certain problems persist in the Czech Republic regarding initial education, one of which is the existing tendency to render large amounts of knowledge at the expense of developing key competencies. Specific problems are language education, which is still insufficient, and absence of preparation for enterprising.

A significant part of the reform consists in the orientation of tuition towards urgent themes of the contemporary world that is presented in the curriculum reform by including cross-sectional themes into Framework Educational Programmes, and emphasised in an integrated form by the Education Strategy for Sustainable Development.

Therefore, the low level of individual approach to pupils is a weakness of the Czech schooling system; this applies to all pupils, including the extraordinarily talented and disadvantaged ones. Therefore, there is a growing need for an open concept of school framework programmes that would ensure equal access and maximum opportunity for all, and thus at the same time there is an increasing need for the corresponding further education of teaching staff. A wider application of the function of teacher's assistant is another area for improvement here.

Schools show insufficient consistency in dealing with how to enable all pupils to develop their potential to its maximum. There are big shortcomings in the area of evaluation and self-evaluation of schools, where the support of the system is still weak, and also in the evaluation of the entire system. The growth in managerial skills of headmasters and also the increased quality of school inspections have an indisputable effect on improving the organisation of schools' operations.

The further education of teaching staff is the basic factor for achieving the objectives of the curriculum reform and improving the situation in the above-mentioned problematic areas. The proportion of teachers who fully meet the specified conditions of professional and educational competence is growing²⁰ at schools. However, the qualification demands continue growing, and thus more attention has to be paid to the professional preparation of staff at schools and educational institutions, including development of competencies of teaching staff for teaching children with special educational needs, in particular children from socially disadvantaged environments from the age of three up to the start of mandatory school attendance.

Other existing problems in initial education include insufficient and regionally differentiated levels of facilities for modern language teaching and textbooks for improving the efficiency of tuition. Computer technology is used insufficiently for the tuition itself. Despite certain advancement, the involvement of Czech schools in international projects remains unsatisfactory.

²⁰ 1999/2000 school year – 65.2% of fully qualified teachers, 2003/2004 – 76.8% fully qualified teachers.

The reason can be observed in a language barrier, low competence or inadequate equipment of the schools.

The persisting problem of the Czech Republic is the insufficient inter-connection of labour market requirements and the existing offer of education both in terms of structure and, particularly, in terms of content. Last but not least, a limiting factor is the amount of expenditure on education, which is below the average as compared with other advanced European countries.

In the area of non-formal education, educational modules must be created so as to be recognizable as a part of further education. It will be a problem to improve the quality of the system of education of employees of non-governmental not-for-profit organisations and leisure-time and youth centres, and their tutors. Education for project management in the non-profit sector will have to be supported. Activation programmes and information systems concerning the existing opportunities of non-formal education will have to be created at both local and regional levels.

2. Global objective and Specific Objectives

The global objective of the priority axis is the development and quality improvement of initial education with emphasis on improving the key competencies of school leavers in order to ensure their employability in the labour market and to increase their motivation for further education.

Specific objectives:

- Quality improvement in initial education;
- Improvement of equal opportunities for children and pupils, including those with special educational needs;
- Improvement of competencies of teaching and non-teaching staff of schools and school facilities.

3. Strategy

The SWOT analysis of the current economic and social situation in the area of education has pointed out shortcomings in the area of initial education, which determine the performance and achieved quality level. Leaving these shortcomings without a further systematic solution could mean relatively serious problems in the following years. The indicated weaknesses include primarily an insufficient inter-connection between school framework programmes and labour market needs, a low level of foreign language skills, and a low computer literacy, including the skills to work with information. Another serious problem also rests with insufficiently mastered key competencies, a low level of entrepreneurial skill development, and insufficient individualisation of school framework programmes at secondary and primary schools.

Priority axis 1 will be implemented through three complementary areas of intervention. The educational environment and its individual elements will be encouraged so as to be stimulating and motivating and so that the preconditions set in this way should be activating for a continual process of quality improvement of education. For the area of initial education, attention will be paid to both the system environment (in Priority axes 4a and 4b) and the activity of individual

schools and educational institutes, their co-operation and the support of partner entities (Priority axis 1).

Implementation of the curriculum reform is decisive for developing the new quality level in initial education. So far, it has only been met in some schools because the system support was provided only in a pilot dimension. In the following stage, all good experience and the acquired knowledge and skills of individual teachers, headmasters, entire schools, or their groups and other players need to be utilised in order to extend the positive impact of the first implementation steps of the curriculum reform and its effect on tuition to a much greater number of schools, to the entire system of initial education. One of the key parts of the reform covers the support of teachers, who themselves have to assume responsibility for the successful transformation of the teaching environment and climate at their schools. In this regard, adequate conditions and a motivating environment need to be created for them. Successful continuance of the curriculum reform is also conditioned by extending the activities in the creation of a comprehensive system of support, monitoring, evaluation and consultancy. The improved quality of the educational system must also enable all pupils to achieve results that correspond to their intellectual capabilities. Therefore, special attention will be paid to all who require an additional support or have to receive an individual approach in order to apply their abilities; the principle of equal opportunities will be taken into account as well. The first area will promote improving quality in education and be primarily focused on getting the curriculum reform completed, and on detailing and providing comprehensive methodical support for the creation of school framework programmes, their innovation aimed at the development of pupils' key competencies, and their subsequent implementation. In terms of curriculum reform focused on schools' own initiative, we want to find new pathways for tuition with emphasis placed on acquiring skills and knowledge. For this purpose, a transformation of the forms and content of tuition will be promoted so as to develop the individual potential of pupils - to build a basis for their lifelong learning, the harmonic development of their personalities and specific employability in the labour market. Skills will be strengthened primarily in the area of dynamic development of the pupils' personalities rather than static learning of large amounts of facts. The support will also focus on the area of creativity development, problem solving, searching and working with information, and using new technologies in education, language education and new contents of education such as multicultural education, sustainable development, healthy lifestyle, entrepreneurship, and European integration. In order to implement these activities and areas, it is essential to promote the education of teaching staff in order to comply with these objectives. At the school level, the involvement of schools in international projects and partner co-operation will be supported as well.

Activities of individual schools will likewise be supported by improving the quality of individual segments of initial education. This particularly means the further development of an evaluation environment to provide feedback for the implementation of curriculum reform. For the selection of the strategy of further work, it is important to have sufficient relevant information available. Comparisons of national surveys with international ones also provide significant information when creating the school policy. Evaluation tools to be primarily used for screening key competencies will be developed and extended in terms of their offer to support the schools. The schools will choose such evaluation tools that will best correspond to their school framework programmes. Attention will be paid to extending the education of the Czech School Inspection staff. While spreading the examples of good practice, great attention will be paid to the support of co-operation of schools, their networking, partnership with other entities both in the educational area and in the job market and sustainable development at a local level. The entire area of career consultancy and information activity in terms of labour market needs aimed at an efficient

selection of educational path and professional orientation will be supported. Further, the area of interest education will be supported. Primarily, a variety of activities will be promoted, including leisure-time activities focused on the prevention of a premature leaving of the education without completing the relevant level of education, which is a precondition for education at the next level, or education that results in a qualification applicable in the labour market.

Ensuring equal opportunities for all in terms of access to education is a significant priority axis of the education system, irrespective of the type of disadvantage, e.g. disability, economic, social, ethnic, based on gender or citizenship, etc. Support will further be directed towards improving the approach to extraordinarily talented children and pupils. It is also very important to create conditions for integration of persons with special educational needs into the standard educational stream and to ensure the necessary special pedagogical and psychological support services. Therefore, activities allowing for an individual approach depending on the actual needs of pupils are supported through the second area of intervention, including the creation of individual educational plans and a motivating educational environment and support mechanisms. Simultaneously supported will be activities based on the school framework programmes that focus on educating socially disadvantaged children in nursery schools, and which have been adjusted to meet the special needs and capabilities of such children. Other supported activities concern the creation of optimal conditions for developing the child's personality, for learning and communication with others, and encouraging the child to gain the highest possible independence. Special attention will be devoted to the prevention of racism and xenophobia and to the support of a multicultural environment and education, with an emphasis on the issue of the Roma ethnic group. Greater attention will be paid to the education of foreigners living in the territory of the Czech Republic, also in a form of their pre-school preparation (particularly in respect of language). Similarly, the area of equal opportunities will be promoted by ensuring the necessary activities associated with the early care of children with socio-cultural disadvantages in order to eliminate any barriers preventing them from the entry and integration into the education system.

This area will also support vocational training of the teaching staff, which is related with an increasing need of individual approach towards education and with the introduction of new forms of group and independent work of pupils.

A significant activity for meeting the principle of equal opportunities is the development of a consultancy and assistance service system (including education of teacher's assistants) and the creation of a safety net to facilitate the re-entry of premature school leavers into the education system. As for the consultancy centres, emphasis will be placed on the question of a change in the approach to the concept and understanding of their role.

All the steps as above are conditioned by changes in the position and role of teaching staff, increasing their professionalism and social position, among other things through their systematic further education. The curriculum reform cannot be implemented separately from the development of human resources in the entire educational system. With regard to continuously increasing requirements for a knowledge society, the further education of both teaching and non-teaching staff at schools and educational facilities, including extension of the forms of this education, is supported within the third area of intervention. If the teaching staff are to develop new key competencies and skills in pupils, they must master them themselves (e.g. IT competencies, foreign languages, etc.) and manage the pedagogical procedures to transmit and develop such competencies and skills in pupils. The teaching staff must also be familiar with the methods of pedagogical projecting (creation of school framework programmes) and the basic issues concerning the possibilities of school leavers in the labour market; many of them must also be able to master career consultancy skills. Therefore, the area of intervention will particularly be

focused on the creation of a motivating system of further education for teaching and non-teaching staff at schools and educational institutes and on the subsequent systematic promotion of this education with emphasis placed on both expert competencies and competencies leading to the improvement of managerial skills necessary for the further development of schools and educational institutes. Here, the emphasis will be placed on strengthening the knowledge in the area of control and management, project, financial and human resource management as well as on acquiring language and ICT skills. In this regard, great emphasis will be placed on the preparation and education of headmasters of schools and educational institutes, and on the systematic preparation of appropriate individuals for demanding managerial and methodical functions at the school level and on the development of educational programmes for managerial staff at schools and educational institutes.

4. Principal Areas of Intervention

Intervention will be implemented exclusively in the Convergence regions.

1.1 Quality improvement in education

Supported activities:

- Creating conditions for the implementation of school framework programmes at schools and educational institutions, supporting the activities of methodical teams and staff at schools and educational institutions involved in the innovation of school framework programmes (SFP).
- Implementation of new curriculum documents at every schools, and educational and information support of the curriculum reform focusing on a broader public consisting of teachers and parents at the regional level.
- Introducing teaching methods, organisational forms and teaching activities, including the creation of modular teaching programmes, with emphasis on inter-subject links, which lead to the development of key competencies.
- Introducing teaching methods, organisational forms and teaching activities that increase the quality of foreign language education (including e-learning).
- Support for tuition in foreign languages at secondary schools.
- Improving conditions for the tuition of technical subjects, and increasing pupils' motivation to study these subjects.
- Creating conditions for long-term employment of fully qualified guest teachers of foreign languages.
- Improving conditions for using ICT for both pupils and teachers, including outside of classes.
- Use of ICT in general educational and vocational subjects.
- Development of partnerships and networking – partnerships, co-operation and exchange of experiences between schools and educational institutes and between schools, educational institutes, non-governmental not-for-profit organisations and other participants in the education field.
- Co-operation between initial educational institutions at regional level and operators in the labour market (including foreign ones) with potential application of innovative forms of co-operation (e.g. internships of students/teachers with employers).

- Co-operation between initial educational institutions and local and regional state administrative bodies and local government with the potential application of innovative forms of co-operation (e.g. involvement of schools in the community development).
- Creating an information and communication system in initial education, and development of portal services.
- Development of career consultancy at schools, including identifying those pupils at risk of poor career choices or who may prematurely leave the education system, and educational and information activities directed at pupils and parents and focused on the rationalisation of the choice of further educational path.
- Improving quality through data collection, also in an international context.
- Supporting schools in the field of evaluation, providing evaluation tools, and verifying key competencies of pupils in order to improve the quality of education.
- Education of the Czech School Inspection staff to improve, in particular, the quality of evaluation in connection with the implementation of curriculum reform and innovation of school framework programmes.
- Support of information centres at schools, including marketing support.
- Development of entrepreneurial knowledge, abilities and skills of pupils in initial education (primary schools, secondary schools).
- Development of the knowledge, abilities and skills of pupils in education for sustainable development, with emphasis placed on the environmental area, including the implementation of practical (environmental) programmes.

1.2 Equal opportunities for children and pupils, including those with special educational needs

Supported activities:

- Application and improvement of organisational forms and tuition and teaching methods supporting an equal access to education, including the creation of individual school framework programmes, use of ICT and e-learning applications.
- Increasing competencies of the teaching staff to eliminate barriers preventing equal access for all individuals to education.
- Development of consultancy, elaboration and extension of the offer of assistance, special pedagogical and psychological services for students with special educational needs.
- Building a “safety net” for persons threatened by premature leaving the education system and those who wish to re-entry into the system.
- Timely provision of the minimum guaranteed care for socio-culturally disadvantaged children.
- Prevention of racism and xenophobia by promoting a multicultural environment and education.
- Education of foreigners (particularly language education) living in the Czech Republic.
- Support of the non-formal education and the competencies gained within, improvement of the education system for the staff of non-governmental not-for-profit organisations and leisure-

time centres, and creation of educational modules to be recognizable as a part of further education.

1.3 Further education of employees at schools and educational institutes

Supported activities:

- Further education of the teaching staff at schools and educational institutes, including implementation of vocational practice and international internships of the teaching staff with emphasis on the implementation of the curriculum reform, language education, use of ICT in tuition and environmental education, including the mastering of other modern pedagogical methods connected with a systematic enhancement of the quality and efficiency of education.
- Methodical support of foreign language education, including consultancy and advisory activities and creation of methodical tools and documents within the scope of the further education of teaching staff at schools and educational institutes.
- International certification of foreign language teachers.
- Increasing the competencies of managerial staff at schools and educational institutes in the area of management and human resource policy.
- Consultancy and information portal on further education (portal service).
- Increasing the availability, quality and attractiveness of the offer of further education for school employees.

5. Categories of Area of Intervention

Code	Priority theme
72	Design, introduction and implementation of reforms in education and vocational training systems in order to develop employability, improving the labour market relevance of primary and vocational education and vocational training, updating skills of training personnel with a view to innovation and a knowledge based economy.
81	Mechanisms for better creating, monitoring and evaluating good policies and programmes at national, regional and local levels, and building the capacity to implement policies and programmes.

6. Beneficiaries

- central state administration bodies,
- directly controlled organisations under central state administration bodies,
- regions,
- municipal and local authorities,
- schools and educational institutions,
- universities established pursuant to Act No 111/1998 Coll. on institutions of higher education;

- school associations;
- non-governmental not-for-profit organisations;
- professional organisations of employers;
- professional organisations of trade unions, employees, employers and industries;
- employers;
- organisations involved in education and career consultancy;
- other organisations engaged in the area of leisure-time activities of children and youth.

The beneficiaries shall have a legal capacity or be organisational part of the state.

7. Target groups

- children from nursery schools and primary school preparatory classes with special educational needs;
- pupils at schools and educational institutions, including those with special educational needs, and pupils at risk of leaving the educational process prematurely;
- extraordinarily talented children and pupils;
- staff at schools and educational institutions;
- managers at schools and educational institutions;
- Czech School Inspection (hereinafter referred to as “CSI”) staff;
- employees of organisations involved in the area of education or assistance services and in the area of leisure time activities of children and young people.

8. Flexibility

Within this priority axis, it will be possible, at the level of individual projects, to finance the necessary accompanying activities and investment-type costs from the ESF, activities that might otherwise qualify for ERDF funding, i.e. up to 10% of the expenditure for the priority axis (“cross-funding” according to Article 34 of Council Regulation (EC) No 1083/2006). Cross-funding may be used, if practical, for purchasing furniture, equipment, vehicles, infrastructure, real estate and land, but only if the beneficiary cannot apply the depreciation costs in accordance with Article 11, paragraph 3c of Council Regulation (EC) No 1081/2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999.

Managing Authority will monitor and keep records of using flexibility in order to identify and trace down expenditures which are involved therein (audit trail).

Priority axis 2 – Tertiary Education, Research and Development

1. Background

The scope and significance of the tertiary education system has grown rapidly as a result of continuously increasing requirements for the population's education, which naturally changes the system's function and mission as well. The former model with the element of strictly selective preparation available to a limited number of applicants has been overcome, and the tertiary education has become a matter available to a far higher number of people with broadly diversified abilities, motivations, and expectations. This shift also brings about the necessity to adapt education to the needs of a large part of the population. At the same time, however, the education must be offered to a much wider spectrum of various social applications. Significant decision-making regarding development of the country's potential in the area of research, development and innovation takes place within the scope of the entire system. These very diverse demands can only be met by a system that is sufficiently inter-connected with research and, at the same time, richly diversified and permeable. The increased system diversification automatically also brings greater demands on the widely conceived vocational level and performance of teaching and academic employees, but also employees active in research and development. Such a system places new requirements on the level of management, information and consultancy support, along with quality management as well.

It is obvious that the tertiary education system in the Czech Republic has not been sufficiently diversified so far (primarily in terms of its form) to provide adequate education to all applicants for study in accordance with their preconditions. Primarily, the area of lower tertiary education (ISCED 5b, study at tertiary professional schools and bachelor's study programmes), which normally focuses primarily on the current needs of labour market, is insufficiently developed. It is equally necessary to emphasize the fact that in many areas the existing system of tertiary education insufficiently reflects the requirements of the employer sphere both as to structure of the graduates' competencies and their quality. For instance, the number and quality of graduates from technical and natural science branches remains insufficient. Another burning problem is also the insufficient direct relation between teaching performance of academic staff and their activity in research and development and co-operation with partners from both public and private spheres.

It also becomes apparent that the system is not set up in a sufficiently appropriate manner so as to motivate the individual to operate and remain in the area of research and development activities, and get more involved in resulting innovative activities. With regard to intensive internationalisation and globalisation, the tertiary education and R&D system faces the necessity of improving the quality and increasing the attractiveness of the environment for both domestic and foreign employees in order to make use of human resource potential in areas that have a substantial effect on building a knowledge society.

Last but not least, the link between tertiary education institutions and research and development institutions on one hand and the manufacturing and service sector on the other hand proves to be insufficient. A more intensive stimulation for partnership and an intensive mutually beneficial co-operation between the above-mentioned entities are missing. As a consequence, transmission of the knowledge and results of research and development from educational and research institutions towards their effective utilisation in practice is limited. For the time being, the tertiary education, research and development, and manufacturing and service sectors form no comprehensive and efficient system that would use various forms to support the formation and transmission of innovative solutions.

2. Global objective and Specific Objectives

The global objective of this priority axis is innovation in the area of tertiary education towards cohesion with research and development activity, increased flexibility and creativity of graduates employable in a knowledge economy, and towards the creation of comprehensive and effective tools to support the innovation process as a whole.

Specific objectives:

- Improving the quality of education at tertiary professional schools.
- Improving the quality and intensifying the diversification of universities with emphasis on the requirements of a knowledge economy.
- Improving the quality of human resources for research and development, including the improvement of vocational training and conditions of employees and use of appropriate motivational and promotional tools.
- Strengthening the relationships between tertiary education institutions, research institutions and private sector entities and state administration bodies (including promotional activities).

3. Strategy

The SWOT analysis of the current economic and social situation in the area of tertiary education has pointed out some shortcomings, which determine the performance and quality level of education and R&D. The indicated weaknesses include primarily the ambiguous and indistinctive position of tertiary professional schools in the educational system and their insufficient inter-connection with the higher education system. Another weakness is the inappropriate structure of students in higher-education study programmes and also the high failure rate in the first years of higher-education study, particularly in technical subjects. Another significant fact is also the existence of regions of the Czech Republic with a lower number of people with completed higher education, which results in a significant inequality of opportunities in the labour market. There is also a similar situation from the perspective of youth interest in education in the tertiary sector. Therefore, the settlement of regional disparities will be one of the most important objectives of this priority axis. This priority axis will promote tertiary education and research activities in regions with structural problems, particularly in the Northwest region.

The degree of co-operation between educational institutions and research organisations and private and public sectors is insufficient as well. The number of graduates from doctoral study programmes has so far been very low as well. In research and development, the sufficient capacities and necessary motivating stimuli have not been created for potential applicants to operate in this area, which immediately affects the innovation activities of the Czech Republic.

Priority axis 2, which is implemented through four complementary areas of intervention, responds to the conclusions of the SWOT analysis. Each of the complementary areas of intervention focuses on a separate area. Two areas of intervention (2.1 and 2.2) are focused on individual parts of tertiary education, and directed to the modernisation of tertiary professional and higher education systems. The area of intervention 2.3 is focused on improving the quality and enhancing the attractiveness of conditions for research and development, while area of intervention 2.4 is focused on establishing the mutual relationships between individual entities – educational and research & development institutions, and public and private sectors.

The area of intervention focused on modernisation and enhancing the attractiveness of the tertiary professional education system is concentrated on the possibility of absorbing a higher number of applicants and responding effectively to dynamic changes in the labour market and the changing requirements of employers. Equally, support will be given to activities aimed at the extension of teaching modules that will focus on non-traditional students – older, already employed persons, etc. The intention is to achieve a higher share of students at tertiary professional schools, who will find quality jobs in the labour market. By increasing the quality and attractiveness of school framework programmes, the tertiary professional education should become an alternative to bachelor's study programmes, thus contributing to a larger diversification of the tertiary education system. Further education of the teaching staff and other employees of these schools will also contribute to improving the quality of educational activities as well as the management of tertiary professional schools.

The area of intervention focused on the modernisation and development of higher education will place main emphasis on the fact that the universities should offer such study programmes, particularly at the bachelor's level, that will reflect as much as possible the expected situation in the future labour market. However, the emphasis on improving the quality of higher-education study programmes will be placed at all levels. With regard to bachelor's study programmes, the primary objective is both their increased focus on labour market requirements and the opportunity to continue in follow-up master's study programmes. The master's programmes, however, should be selective and prepare graduates for professional positions and, to a lesser extent, for the activity in research and development. Systematic preparation in research will be intensified in terms of doctoral study programmes. An integral part of improving the quality of pedagogical and managerial activities of academic staff and other university employees is their further education, which is vital if these schools of higher education are to develop.

This priority axis will also cover the area of intervention focused on increasing the appeal of research and development, improving the conditions for its employees at universities, as well as at other institutions engaged in such activities. Individual activities should ensure that individuals with the preconditions for operating in research are sufficiently motivated, do not leave research activity and have adequate conditions for their performance. At the same time, the concentration of research and development capacities in regions outside of the capital city of Prague must be increased as well.

A condition for the education system to respond in a sufficiently flexible manner to requirements of the labour market and challenges of the technological development and knowledge society is the intensive partnership of various entities in as wide a spectrum of activities as possible. For this reason, Priority axis 2 covers an area of intervention that is focused on implementing the joint projects, creating partnerships and co-operation in networks between educational and research & development institutions and public and private sectors. One of objectives within this measure is to ensure a better link between the expected requirements of the future labour market and the offer presented by educational institutions in the tertiary education system through closer contact and joint activities. Another objective is to support effective transmission of knowledge, results of research and development and innovative solutions from educational institutions to the entrepreneurial sphere by means of partnership and joint activities.

4. Principal Areas of Intervention

Intervention will be implemented exclusively in the Convergence regions.

2.1 Tertiary professional education

Supported activities:

- Innovation of study programmes in accordance with requirements for a knowledge-based economy and labour market needs: through modularisation, extending the offer of combined and distance learning, tuition in foreign languages, supporting a spirit of entrepreneurship, etc.
- Support for practical training and internships of students attending tertiary professional schools with future employers.
- Bringing in specialists from both business and abroad during the creation and implementation of innovated educational programmes.
- Supporting the creation of quality teams by increasing the professional competencies of teaching staff at tertiary professional schools, including improving literacy in ITC, increasing language competencies, and by improving managerial skills in the area of tertiary professional school management.
- Increasing the knowledge of tertiary professional school staff of the university environment and how its various parts are managed, including support for the potential transformation of some tertiary professional schools into institutes of higher education (of non-university type).
- Support for co-operation between tertiary professional schools and secondary schools to increase motivation to study.
- Support for co-operation with foreign educational and scientific institutions, preparation for involving staff of tertiary professional schools in international projects and networks.
- Creation, introduction and realisation of quality assessment systems.
- Introduction and innovation of systems to monitor labour market demand for tertiary professional schools graduates.
- Support of intersectoral mobility

2.2 Higher education

Supported activities:

- Innovation of study programmes in accordance with the requirements of a knowledge-based economy and the needs of the labour market through modularisation, extending the offer of combined and distance learning, modernising teaching methods, tuition in foreign languages, supporting a spirit of entrepreneurship, etc., including innovations falling outside the scope of one study programme and increasing possibilities for interdisciplinary study.
- Support for practical training and internships of university students with future employers.
- Bring in specialists from both business and abroad during the creation and implementation of innovated study programmes.

- Supporting the creation of quality teams by increasing the professional competencies of academic staff, including improving literacy in ITC, increasing language competencies, and by improving managerial skills in the area of university management.
- Support for co-operation with foreign educational and scientific institutions, preparation for involving individuals in international projects and networks.
- Creation, introduction and realisation of quality assessment systems.
- Introduction and innovation of systems to monitor labour market demands for graduates in a particular field.
- Supporting co-operation between universities and primary and secondary schools by providing consultancy services and assisting talented pupils.
- Support of intersectoral mobility

2.3 Human resources in research and development

Supported activities:

- Supporting the creation and future progress of quality research and development teams.
- Preparing for the involvement of individuals and teams in international networks and projects in the area of research and development.
- Support of intersectoral mobility, especially mobility between research institutions and private and public sectors.
- Further education of research and development employees in the area of R&D management, popularisation and communication, disseminating scientific and research results into practice, technology transfer, acquiring the knowledge to protect, remunerate and administer the intellectual property of R&D employees.
- Other specific vocational education of R&D employees.
- Activities aimed at popularising R&D and its benefit to society.

2.4 Partnerships and networks

Supported activities:

- Preparation of human resources for the formation and functioning of technological platforms, technologically oriented clusters, etc.
- Work placements and internships for students, teachers and scientific workers in the private and public sectors.
- Support for co-operation between tertiary education institutions, research and development centres, business and the public sector, including communication and interactive platforms.

- Support of educational and training activities aimed at increasing mutual co-operation between educational institutions, research and development centres, business and the public sector.
- Setting up and supporting contact points in tertiary education institutions and research and development institutions intended for business and the public sector.

5. Categories of Areas of Intervention

Code	Priority theme
72	Design, introduction and implementation of reforms in education and vocational training systems in order to develop employability, improving the labour market relevance of primary and vocational education and vocational training, updating skills of training personnel with a view to innovation and a knowledge-based economy.
74	Developing human potential in the field of research and innovation, in particular through post-graduate studies and vocational training of researchers, and networking activities between universities, research centres and enterprises.
81	Mechanisms for a better creating, monitoring and evaluating of good policies and programmes at national, regional and local levels, and building the capacities to implement policies and programmes.

6. Beneficiaries

- universities (all types);
- tertiary professional schools;
- science and research institutions;
- development and innovation poles;
- directly controlled organisations under central state administration bodies;
- regions;
- municipal and local authorities;
- schools and educational institutes;
- health care facilities;
- non-governmental not-for-profit organisations;
- employers, professional organisations of employers;
- professional organisations of trade unions, employees, and industries;
- organisations operating in education and career consultancy.

The beneficiaries shall have a legal capacity or be an organisational part of the state.

7. Target Groups

- tertiary professional schools students,
- university students,
- pupils of primary and secondary schools (assuming partnerships between tertiary education institutions or R&D institutions and the respective schools have been established),
- teaching and non-teaching staff of tertiary professional schools,
- academic and other university staff,
- employees of R&D institutions.

8. Flexibility

Within this priority axis, it will be possible, at the level of individual projects, to finance the necessary accompanying activities and investment-type costs from the ESF, activities that might otherwise qualify for ERDF funding, i.e. up to 10% of the expenditure for the priority axis (“cross-funding” according to Article 34 of Council Regulation (EC) No 1083/2006). Cross-funding may be used, if practical, for purchasing furniture, equipment, vehicles, infrastructure, real estate and land, but only if the beneficiary cannot apply the depreciation costs in accordance with Article 11, paragraph 3c of Council Regulation (EC) No 1081/2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999.

Managing Authority will monitor and keep records of using flexibility in order to identify and trace down expenditures which are involved therein (audit trail).

Priority axis 3 – Further Education

1. Background

An open economy is distinguished by a highly competitive environment, which is manifested in the labour market as well. The requirements made by the labour market, which gives priority to a flexible and adaptable labour force, are increasingly demanding, and it becomes apparent that having successfully completed even a desired branch within the initial education is far from being sufficient for employability, but, on the contrary, it is necessary to follow the development trends and to educate oneself and extend and increase or even change qualifications through the whole professional life.

Despite the increasing number of people in further education, the need to strengthen the position of further education is becoming increasingly urgent. The highest participation rate in further education in terms of the Czech Republic's population is observed in the group of employees; in spite of this, further education is still not a standard element in the entrepreneurial sector. In an international comparison, the Czech Republic is one of the countries with the least favourable results. Further education in the Czech Republic also took place in the form of requalification of the unemployed or job seekers. In such a case and at such a time, however, it is a solution of an already arisen problem rather than a prevention of employment loss. There was, however, no systematic solution covering further education focused on the possibilities of professional growth and increase in the qualifications and adaptability of the Czech Republic's population in order to maintain its attractiveness in the labour market.

The insufficient conceptual approach to this issue is a big problem in further education in the Czech Republic. So far, the system outputs have been ensured through a large number of individual institutions offering school framework programmes, and the further education market is thus determined primarily by a supply that is not sufficient and does not deal with the long-term or strategic needs of the country. There is no institutional framework for further education, and the situation is quite unclear in terms of the offer of educational possibilities and capacities. This is manifested, among other things, by the fact that the existing further education programmes are not suitably linked with the system of initial and tertiary education. Pursuant to Act No 179/2006 Coll., on verification and recognition of results of further education, the demand for further education has to be stimulated as much as possible using both direct tools and by a recognition of its results. However, intervention must also take place on the supply side, which will lead to an increase in the scope and focus of further education provision, as well as improve the methods used for informing the public.

A sensitive question is also the issue of acceptance of further education as a priority in terms of internal policy of the entrepreneurial sector. The number of participants in further education has been continuously growing, but the total percentage of the population involved in further education activities is still very low (5.9%) and insufficient in comparison with the EU countries, or more specifically with the EU-15 (11.9%). Thus, the proportion of the population participating in further education in the Czech Republic is one of the lowest in the EU, and the demand for further education opportunities is generally very poor. At the same time, there is practically no motivation or activation framework to stimulate the individuals towards their further professional and personal development.

2. Global objective and Specific Objectives

The global objective is to strengthen the adaptability and flexibility of human resources as the primary factor influencing the economy's competitiveness and the sustainable development of the Czech Republic by promoting further education on both the supply and demand sides.

Specific objectives:

- Facilitation of individual access for the Czech Republic's population to further education and an increase in its motivation to lifelong learning.
- Extending the offer of further education and strengthening public awareness of what is being provided.

3. Strategy

The SWOT analysis of the current economic and social situation in further education has pointed out the shortcomings in this area. The key problem is an insufficiently developed system of further education.²¹ The competencies of individual institutions have not been clearly set, and the overall development of the system has been stagnating. Further education is targeted at an increase of employment and employability by creating the programmes of educational institutions, which will be implemented in a close co-operation with employers and social partners acting in the labour market. The Ministry of Labour and Social Affairs will be a significant partner in building up the further education system through HR&E OP, where the area of further education is supported with primary focus on increasing the employability and acquiring and intensifying the competencies for performance of the respective profession²².

A functional system of further education is an important tool for each individual, by means of which the necessary knowledge and skills can be added at a time when the requirements for a qualified labour force are developing dynamically. For this reason, Priority axis 3 Further education has been proposed, which will be implemented through two complementary areas of intervention.

The key areas within Priority axis 3 involve on the one hand, activities to improve access to further education, and on the other hand, activities to create the mechanisms whereby the offer of further education can be extended. These are, at system level, inseparably linked to the area of intervention 4.3 "System framework of further education".

The first activity is aimed at improving access to further education through direct support and motivating the public into further education. With respect to the demands of a rapidly changing labour market, and to the new demands of a modern society, further education will be developed by promoting and implementing national programmes, which will focus on strengthening and developing general competencies such as language or IT skills. Nevertheless, emphasis will be placed on building up a competitive and educated society, an information society for all. In

²¹ For the development of a system framework of further education refer to area of intervention 4.3 of this OP.

²² Except for further education provided according to school legal regulations at schools and school facilities.

addition, the relationship and bonds between further education and initial education will be strengthened.

Within the scope of the priority, the support focused on opening the “further education market” by creating mechanisms to enable an extension of the offer of further education, including the creation of conditions facilitating mutual interaction between supply and demand in this area, will be provided. Greater awareness of opportunities in further education and how to use them will be achieved by building support systems, i.e. consultancy, information, activation and other services, which will be established in relation to target groups across Priority axis 3 and area of intervention 4.3. The activities will have a regional impact (in order to be easily accessible for each individual interested in further education and able to reflect regional specifics), but at the same time they will be connected to the national system of further education and its consultancy services as well.

Preparation of further education school framework programmes, and vocational training teachers and tutors will be supported, i.e. in educational institutions.

4. Principal Areas of Intervention

Intervention will be implemented exclusively in the Convergence regions.

3.1 Individual further education

Supported activities:

- Support of citizens' education in the area of both general and vocational competencies.
- Creation of educational modules focusing on support of general competencies (language skills, IT, support of entrepreneurial skills).
- Multi-regional and regional support programmes to stimulate the demand of individuals for individual education, and the provision of information and consultancy services.

3.2 Support of further education supply

Supported activities:

- Support of cohesion between further education and initial education during the creation of educational modules.
- Support of education supply in the area of further education – development of framework programmes for adult education at schools and other educational institutions
- Education of teachers, tutors, management staff and organisational personnel at schools and other educational and consultancy centres engaged in the area of specialization education and education for sustainable development
- Development of networks and partnerships of entities in the area of further education and consultancy

- Consultancy and methodical assistance when introducing modern and innovative educational technologies and methods (for organisations engaged in the area of specialization and further education and education for sustainable development)

5. Categories of Areas of Intervention

Code	Priority theme
62	Creating lifelong learning systems and strategies in enterprises; vocational training and services for employees to increase their adaptability to changes; support entrepreneurship and innovation.
72	Design, introduction and implementation of reforms in education and vocational training systems in order to develop employability, improving the labour market relevance of primary and vocational education and vocational training, updating skills of training personnel with a view to innovation and a knowledge-based economy.
73	Measures to increase participation in education and vocational training throughout the life-cycle, including through actions to achieve a reduction in early school leaving, the gender-based segregation of subjects and increased access to and quality of primary, vocational and tertiary education and vocational training.

6. Beneficiaries

- central state administration bodies;
- directly controlled organisations under central state administration bodies;
- regions;
- schools and educational institutios;
- institutions of tertiary education;
- institutions providing consultancy in the area of further education;
- non-governmental not-for-profit organisations;
- employers, professional organisations of employers and employees, and of entrepreneurs;
- organisations operating in education and career consultancy;
- municipal and local authorities.

7. Target Groups

- participants in further education,
- tutors,
- educational institution staff,
- permanent residents in the Czech Republic.

8. Flexibility

Within this priority axis, it will be possible, at the level of individual projects, to finance the necessary accompanying activities and investment-type costs from the ESF, activities that might otherwise qualify for ERDF funding, i.e. up to 10% of the expenditure for the priority axis. Cross-funding may be used, if practical, for purchasing furniture, equipment, vehicles, infrastructure, real estate and land, but only if the beneficiary cannot apply the depreciation costs in accordance with Article 11, paragraph 3c of Council Regulation (EC) No 1081/2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999.

Managing Authority will monitor and keep records of using flexibility in order to identify and trace down expenditures which are involved therein (audit trail).

Priority axis 4a - System Framework of Lifelong Learning (The Convergence objective)

Priority axis 4b – System Framework of Lifelong Learning (The Regional competitiveness and employment objective)

Because the described system activities are, in fact, inseparable in terms of their geographical relevance (i.e. with respect to objectives laid down in Article 3 of Council Regulation 1083/2006) and always have a nationwide impact across the Czech Republic, both the priority axes feature an identical content.

Priority axis 4a covers the share of system activities for the programme in regions under the Convergence Objective.

Priority axis 4b covers the share of system activities for the programme in regions under the Regional Competitiveness and Employment Objective.

The method for calculating the ratio between the Convergence Objective and the Regional Competitiveness and Employment Objective in the implementation of all activities (projects) in these priority axes is outlined in Chapter V. The method has been selected so that the principle according to Article 22 of Council Regulation (1083/2006), on non-transferability of allocations for individual objectives, should be followed at the level of priority axis.

1. Background

These priority axes cover activities that will contribute to creating a system of lifelong learning in the areas of initial, tertiary and further education.

In the system of initial education, we feel that tuition at schools needs to be changed in order to improve the key competencies (knowledge, skills, abilities, attitudes and values important for personal development, active involvement in society and future success). In the past, initial education placed insufficient emphasis on the development of key competencies, and tuition did not reflect current issues of the modern world.

Based on the findings of international surveys (e.g. PISA 2003), it is clear that the Czech Republic belongs to those countries where the results of pupils are strongly dependent on the socio-economic and cultural status of their families. Differences among pupils, caused by their family background, become even greater owing to a domestic environment that also helps determine the selection of schools. Therefore, it is necessary to focus on those children with lower educational ambitions, even though they have potential within. In addition, educational success is significantly influenced by the climate at school. In an environment that is safe, friendly and stimulating, educational opportunities can be used well and enable everyone to achieve the goals that match his/her capabilities. In recent years, fostering a suitable climate and environment at schools and educational institutions has not been given the attention it deserves.

However, the successful implementation of the reform is conditioned, in particular, by well-prepared teaching staff who assume responsibility for the successful transformation of the teaching environment and climate at their schools. To date, the area of school evaluation and self-evaluation, as well as an assessment of the entire system, has also been shown insufficient support.

For the area of tertiary education, this programme enables the transformation of the existing education system into a modern system; one that complies with the requirements imposed on

tertiary education graduates by the public and private sectors, thus contributing to a transformation in the system of lifelong learning in the Czech Republic. The necessity to bring about change was also stressed by the OECD evaluation team in their report, “Thematic Review of Tertiary Education in the Czech Republic” (Prague, November 2006). Besides which, other steps to improve the set-up and management of research and development activities must also be taken in the Czech Republic.

At present, no system framework for the area of further education has been created in the Czech Republic. It is also necessary to prepare conditions enabling the function and use of the opportunities provided by Act No 179/2006 Coll., on verification and recognition of the results of further education. Once this legislation is used, it will be possible to build a transparent and objective system to evaluate competencies also acquired outside the formal education system, i.e. competencies acquired through non-formal education and informal learning.

2. Global objective and Specific Objectives

The global objective is to create a modern, quality and effective system of lifelong learning through developing the system of initial, tertiary and further education, including connecting these individual parts into a system of lifelong learning.

Specific objectives:

Creation of a system to support improvement in the quality of lifelong learning

Creation of a system and institutional framework for tertiary education and the development of human resources in research and development.

Completion of a comprehensive concept for the system and institutional framework of further education; ensuring it is linked up with tertiary education.

3. Strategy

In order to distinguish the activities to be implemented across the whole of the Czech Republic, i.e. including the parts of Prague that fall within the Regional Competitiveness and Employment Objective, separate priority axis have been established. Within their scope will be supported activities for building a system of lifelong learning and linking together all its parts (initial, tertiary and further education). Many steps were first taken in this area as early as the 2004-2006 period as part of the HRD OP. Supplemented by associated programmes, these steps will continued to be implemented in the years to come through the EC OP. Some activities, however, will be quite new. For all these projects, the MEY&S will be the aid beneficiary.

In the area of initial education, the creation of conditions for completing the curriculum reform as a significant system tool to modernise education will be of key importance in the forthcoming period, with emphasis being placed on the development of key competencies, including supporting the language preparation of pupils and mastering of modern technology.

A high priority area is the systematic creation of conditions to ensure equal opportunities in education, i.e. not only for pupils with physical disabilities but also for the socially disadvantaged.

The effective continuance of curriculum reform is conditional upon extending activities to provide systematic support for the transformation of the education system and consultancy

systems to overcome problems related to involving children and pupils with special educational needs or providing better career and academic counselling.

In addition, emphasis is placed on improving the general climate at schools and educational institutions. It is also necessary to support the evaluation and self-evaluation mechanisms in the education system.

In order to support curriculum reform, it is also suggested to improve the state of post-graduate education of teachers by creating a system framework for further education.

The SWOT analysis of the current economic and social situation in the area of tertiary education has pointed out some shortcomings, which determine the performance and level of tertiary education and research and development with regards to the systems involved. Based on the aforementioned and other knowledge related to tertiary education, this will particularly determine its objectives, and in this connection, the setting-up of an economically sustainable system of tertiary education featuring a suitable structure and corresponding mechanisms to ensure its sufficient quality. At the same time it is necessary to create an environment that will be competitive.

In the area of research and development, this will particularly cover the setting-up of a system to improve the quality and attractiveness of the potential in the area of human resources, and to increase the level and impact of research and development through intensive and mutually beneficial co-operation between the private and public sectors.

The key activity within the area of intervention aimed at further education is to establish basic system measures, a system framework to provide further education. It is also intended to link the system of initial education to the further education system and to create a comprehensive system of lifelong learning. Last but not least, the system for evaluating and managing human resources will be strengthened, and likewise supported will be the creation of the conditions, structures and processes to recognize the results of further education and competencies acquired outside the formal education system, i.e. competencies acquired through an non-formal education or informal learning, will be promoted.

4 Principal Areas of Intervention

4.1 System framework of initial education

- Supported activities:
- Creating and verifying SFPs at pilot schools, including the processing and comprehensive use of the results; methodical, educational and informational support of the curriculum reform.
- Disseminating information on the task and objectives of curriculum reform to general public.
- Creation of a set of criteria and tools to ensure that pupils in initial education achieve the respective level of key competencies.
- Creation and pilot verification of child development and educational programmes for schooling facilities at children's care homes and juvenile detention centres.

- Development of system level career guidance at schools, including identifying pupils who are vulnerable to poor career choices or who may leave the education system prematurely. Development of educational and information activities directed at pupils and parents and focused on rationalizing future choices in education.
- Introducing and pilot verifying the programme and organisational forms of work that will positively influence the school environment.
- Identification of factors affecting the employability of secondary school leavers in the labour market, and formulation of recommendations for educational policy, school founders and schools themselves to eliminate unfavourable factors.
- Creating and introducing a school self-evaluation system.
- Development, implementation and support of centrally controlled evaluation processes for completing secondary school studies.
- Support for dissemination of information through an electronic information system.
- Creation and completion of basic diagnostic and intervention tools for the network of school consultancy facilities in the Czech Republic.
- Development of a system of consultancy services at schools, new approaches in the system of consultancy services for pupils with special educational needs.
- Creating a system of assistance services according to the forms and kinds of aid provided for the Czech Republic's school system.
- Building an early care system for children from socio-culturally disadvantaged environments.
- Creation of a system of further education for teaching staff at schools and educational institutions, and the development of teacher competencies.
- Further education and support of teaching staff at schools and educational institutions with emphasis placed on the implementation of curriculum reform, including mastering other modern teaching methods associated with a systematic improvement in the quality and effectiveness of education.

4.2 System framework of tertiary education and development of human resources in research and development

Supported activities:

Within this priority axes support will be given to the system projects that have a cross-sectional nature, and whose impact relates to implementation in more than one area of the priority axis 4a and 4b. An indicative breakdown of areas related to the implemented activities is as follows:

- Design and implementation of an optimum system of tertiary education funding.

- Innovation of the management system of tertiary education and research and development institutions.
- Design and implementation of a system of project management support in tertiary education and research and development institutions.
- Design and implementation of a system to support entrepreneurship, an entrepreneurial approach, and innovative solutions in tertiary education and research and development institutions.
- Design and implementation of a comprehensive system to evaluate the quality of tertiary education and research and development.
- Design and implementation of a system to effectively support the natural sciences, including vocational and research activities of young people.

4.3 System framework of further education

Supported activities:

- Creation of a comprehensive system of further education in the Czech Republic.
- Creating support systems of further education at the national level (e.g. consultancy, information and monitoring systems).
- Creation of mechanisms aimed at linking initial education to further education systems.
- Completion and implementation of systems of quality assessment of further education provided.
- Development and utilization of the national qualification system.
- Developing and creating systems for recognising the results of previous learning.
- Completion and implementation of support systems at both regional and national levels, particularly in the form of activation programmes, consultancy, information systems on the existing possibilities for non-formal education.
- Verifying and recognizing the results of further education at national and regional levels in the school system.
- Analysis of the state of further education at national or regional level and in an international context.

5. Categories of Areas of Intervention

Code	Priority theme
62	Creating lifelong learning systems and strategies in enterprises; vocational training and services for employees to increase their adaptability to changes; support entrepreneurship and innovation.
72	Design, introduction and implementation of reforms in education and vocational

Code	Priority theme
	training systems in order to develop employability, improving the labour market relevance of primary and vocational education and vocational training, updating skills for training personnel with a view to innovation and a knowledge-based economy.

6. Beneficiaries

- central state administration bodies,

7. Target Groups

- children with special educational needs from nursery schools and preparatory classes for primary schools,
- pupils of primary, primary art schools and secondary schools, including those with special educational needs, and pupils at risk of leaving education prematurely,
- parents of socially disadvantaged children and pupils,
- staff at schools and educational institutes,
- managers at schools and educational institutes,
- staff at tertiary professional schools and universities,
- employees of research and development institutions,
- students at tertiary professional schools and universities,
- participants in further education,
- employees of organisations engaged in the area of child development and education in young people's leisure time.
- institutions providing further education,
- institutions providing consultancy for the area of further education.

8. Flexibility

Within priority axes 4a and 4b, it will be possible, at the level of individual projects, to finance the necessary accompanying activities and investment-type costs from the ESF, activities that might otherwise qualify for ERDF funding, i.e. up to 10% of the expenditure for the priority axis. Cross-funding may be used, if practical, for purchasing furniture, equipment, vehicles, infrastructure, real estate and land, but only if the beneficiary cannot apply the depreciation costs

in accordance with Article 11, paragraph 3c of Council Regulation (EC) No 1081/2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999.

Managing Authority will monitor and keep records of using flexibility in order to identify and trace down expenditures which are involved therein (audit trail).

Priority axis 5a - Technical assistance (The Convergence objective)

Priority Axis 5b – Technical assistance (The Regional competitiveness and employment objective)

Because the described system activities are, in fact, inseparable in terms of their geographical relevance (i.e. with respect to objectives laid down in Article 3 of Council Regulation 1083/2006) and always have a nationwide impact across the Czech Republic, both the priority axes feature an identical content.

Priority axis 5a covers a share of programme activities in the regions under the Convergence Objective.

Priority axis 5b covers a share of programme activities in the regions under the Regional Competitiveness and Employment Objective.

Allocations for the priority axes have been calculated as follows:

- for priority axis 5a: 4% (pursuant to Article 46 of Council Regulation No 1083/2006) of the amount allocated to regions under the Convergence Objective of the programme;
- for priority axis 5b: 4% (pursuant to Article 46 of Council Regulation No 1083/2006) of the amount allocated to regions under the Regional Competitiveness and Employment Objective of the programme.

1. Background

Technical assistance is laid down in Article 46 of Council Regulation No 1083/2006; pursuant to this Article structural funds can be used for cross-sectional financing of preparatory, management, monitoring, evaluation, as well as information and control activities of Operational Programmes. Technical assistance also covers the absorption capacity of entities to drawdown resources from structural funds. It is assumed that the method of cross-funding will not be used for the implementation of activities under this priority axis.

2. Global and Specific Objectives

The global objective of priority axis 5a and 5b is to achieve successful implementation of the programme by ensuring all the necessary activities within the scope of its implementation structures and by strengthening the absorption capacity of entities drawing on funds.

Specific objectives:

- To ensure effective management, control, monitoring and assessment (evaluation) of the programme, including sufficient administrative capacity of the implementation structure entities.
- To provide for monitoring and evaluation of the programme's progress and its wide publicity.
- To increase the absorption capacity of entities for obtaining resources from structural funds.

3. Strategy

Within this priority axis, support will be provided to the Managing Authority and other implementation structures of the EC OP in direct connection with the implementation of all the other priority axes of the programme. The administrative capacity of the Managing Authority will be strengthened in relation to all necessary activities (e.g. management, control, monitoring and evaluation), and sufficient skills and expert knowledge will be ensured continuously for the staff of the implementation authorities. Further, the priority axis will primarily focus on ensuring the implementation and administration of the programme – in terms of technical activities and also the activities of specific implementation authorities.

Ensuring sufficiently wide and high-quality publicity is one of the key aspects of successful implementation of the Operational Programme. The dissemination of information on the programme's possibilities and results to potential authors of projects and to the wider public will be another part of this priority axis.

Last but not least, it is essential for the Managing Authority to obtain the necessary information and feedback through processing various studies and analyses relating to the progress of the programme implementation process. These studies supported within the scope of the priority axis will be aimed at helping improve the quality of management and the progress of programme implementation.

Absorption capacity will also be supported within the scope of the priority axis, i.e. absorption capacity refers to the ability of regional players to create and present quality projects for their subsequent submission to the EC OP.

The method for calculating the ratio of both objectives in the implementation of activities (projects) is described in Chapter V.

4. Principal Areas of Intervention

4.1 Programme management, control, monitoring and evaluation

Supported activities:

- Creation of implementation documents of the programme.
- Strengthening the administrative capacity of the Managing Authority in relation to all necessary activities and ensuring its continuous activity (e.g. management, control, monitoring).
- Ensuring the activity of other implementation structure entities (e.g. the Monitoring Committee – support of MC secretariat, processing of draft reports etc., selection boards).
- Assistance in selection of projects, contracting, monitoring and evaluating within the scope of the programme in a uniform and comprehensive manner.
- Ensuring the technical administration and implementation of the programme (e.g. operation, maintenance and development of a monitoring and information system).

- Development of necessary skills and professional knowledge for management and administration of the programme (e.g. training sessions and seminars for staff of implementation bodies).
- Passing on and exchanging experience with EU member states (e.g. conferences, seminars, and workshops).
- Research studies and investigations focusing on further development of the programme.
- Preparation of underlying studies and documents for the next programming period 2014-2020, including ex-ante evaluation.
- Audit and inspection of projects implemented on-site.
- Processing of evaluations and monitoring studies according to the requirements of the Regulation.

4.2 Programme information and publicity

Supported activities²³:

- Dissemination of information on the programme and successful projects to the wider public (e.g. newspapers, websites, TV, brochures, press-trips).
- Dissemination of information on the programme and successful projects to potential authors of projects (e.g. seminars, workshops, informative events).
- Mediation of experience of individual players involved in implementation of the programme (e.g. organisation of seminars and workshops in order to exchange experience between beneficiaries, partners and the public).
- Creation and administration of websites for the programme – comprehensive provision of information (e.g. about EC OP, other OPs, etc.).
- Publishing activity (e.g. information brochures, bulletin with updated information on ESF/SF).
- Processing of continuous thematic studies and analyses in relation to implementation of the programme.

5.3 Increase in absorption capacity of entities implementing the programme

Supported activities:

- Creation and preparation of projects for submission to the EC OP.

²³ Activities relating to information and publicity will be implemented on the basis of the EC OP Communication Plan.

- Provision of information, consultancy and advisory services to potential applicants for ESF support, e.g. in the area of processing applications and attachments.

5. Categories of Areas of Intervention

Code	Priority theme
81	Mechanisms for better creating, monitoring and evaluating good policies and programmes at national, regional and local levels, and building the capacities to implement policies and programmes.
85	Preparation, implementing, monitoring and control.
86	Evaluation and studies, information and communication.

6. Beneficiaries

- Managing Authority;
- Intermediate Bodies;

7. Target Groups

- Managing Authority staff,
- Intermediate Bodies staff,
- beneficiaries,
- Monitoring Committee,
- public.

8. Flexibility

As part of priority axis 5, it will be possible, at the project level, to finance the necessary accompanying activities and investment-type costs from the ESF, activities that might otherwise qualify for ERDF funding, i.e. up to an amount of 10%.

A combination of funds from the Convergence Objective and the Regional Competitiveness and Employment Objective will be used for activity financing.

Managing Authority will monitor and keep records of using flexibility in order to identify and trace down expenditures which are involved therein (audit trail).

Co-ordination with Interventions of Other Programmes

Technical assistance can be used within the scope of each Operational Programme. EC OP technical assistance is intended exclusively for the needs of this Operational Programme.

Indicators for Monitoring and Evaluation

Properties and characteristics of indicator system

The EC OP indicator system is created for the purpose of supporting effective management of distribution of the Operational Programme's financial resources. The main users are the programme managers (including monitoring committee members), co-ordinators of programme activities, monitoring and evaluating staff, the European Commission, the National Co-ordinating Body and other social and economic partners.

The basic structure of the indicator system is derived from the three levels of its utilisation:

- *use for characteristics of socio-economic environment* in which the objectives are implemented (this task is fulfilled by the category of context indicators, the selection of which is based primarily on the results of the initial socio-economic analysis);
- *use for monitoring functions*, where the main role is played by the output indicators used to monitor the activities implemented through individual areas of intervention and the results indicators for those areas of intervention where the consequences of implemented interventions upon behaviour, capacity or efficiency of SF beneficiaries can continuously be evaluated;
- *use for evaluation functions* that covers all indicators from which success of the programme can be deduced, and which enable to determine, in quantified form, how the specified programme objectives have been met. The most important evaluation tools are the impact indicators, which are used for the evaluation of a longer period of time and which can become a basis for the adoption of strategic decisions.

The indicator types used in the EC OP are as follows:

- *Source indicators*: they inform about financial resources allocated for each level of intervention, i.e. pre-allocated/pre-budgeted resources for intervention/programme;
- *Financial indicators*: these are used for periodical monitoring of trends in obligations and payments designated from the funds for individual operations and for their measurement or programming in relation to justified costs;
- *Output indicators*: they characterize the activity and provide information on outputs of the individual operations within the scope of the Operational Programme; they express numbers of persons, organisations and projects that were supported using the given budget;
- *Results indicators*: these relate to immediate – direct and instantaneous benefit of the Operational Programme; for instance, they ensure information on changes in behaviour, production capacity changes or production trends of aid beneficiaries; the indicators are

expressed as a number of successfully trained persons, newly created products (e.g. educational modules);

- *Impact indicators*: they inform on consequences beyond the framework of instantaneous effects. Impact indicators are used to measure the meeting of decisive objectives of the Operational Programme. This group of indicators is also important for the adoption of strategic decisions (e.g. revisions to the Operational Programme);
- *Context indicators*: they characterize the socio-economic environment in which the programme activities are implemented and in which the objectives of the Operational Programme are met.

To ensure a better orientation, the tables of EC OP indicators do not list horizontal themes. The values for horizontal themes, i.e. equal opportunities and sustainable development, will be monitored and shown in EC OP annual reports (e.g. grouping the persons/pupils/students as male and female, monitoring the products with an environment component, ICT component, or products focused on pupils with special educational needs).

The quantification of indicators will be commenced in 2009.

System of monitoring indicators

Indicators of social and economic situation

Type of indicator	Indicator	Definition	Unit of Measurement	Baseline data (2004)	Target value	Source	Monitoring frequency	
Context	Expenditure on education from public budgets in % GDP	<i>NSRF strategic objective 2 OECD</i> Relationship between total gross domestic expenditure on education and GDP generated, in current prices, in the Czech Republic in the given year	%	4.5	NA	Institute for Information on Education (IIE)	annually	
	Proportion of expenditure on education by level of education in total public expenditure on education	<i>Lisbon</i> The proportion of public expenditure on education by level of education in total public expenditure on education	%	X	NA	IIE	annually	
	of which	primary	The proportion of public expenditure on primary education in total public expenditure on education	%	34.1	NA	IIE	annually
		secondary	The proportion of public expenditure on secondary education in total public expenditure on education	%	21.6	NA	IIE	annually
		tertiary professional schools and universities	The proportion of public expenditure on tertiary professional education and higher education in total public expenditure on education	%	20.1	NA	IIE 2005	annually

Type of indicator	Indicator	Definition	Unit of Measurement	Baseline data (2004)	Target value	Source	Monitoring frequency	
	Long-term unemployment rate	A proportion of the long-term unemployed persons (12 and more months) in a total number of economically active persons aged 15 – 64.	%	3.9	NA	Czech Statistical Office	annually	
	Unemployment rate for persons with primary education	<i>NSRF Global objective</i> A proportion of the unemployed persons with primary education in the total number of economically active persons aged 15-64.	%	24.7	NA	Czech Statistical Office	annually	
	Employment rate for population aged 15-64	A proportion of the employed persons in the 15-64 age group in the population aged 15-64.	%	65.3	NA	Czech Statistical Office	annually	
	of which	men	A proportion of the employed men in the 15-64 age group in the number of men aged 15-64.	%	73.7	NA	Czech Statistical Office	annually
		women	A proportion of the employed women in the 15-64 age group in the number of women aged 15-64.	%	56.8	NA	Czech Statistical Office	annually
	Structure of population by level of education	A proportion of persons with individual levels of education in the total population aged 15+ (%).	x	x	NA	Czech Statistical Office	annually	
	of which	without education		%	0.1	NA	Czech Statistical Office	annually
		primary education		%	19.2	NA	Czech Statistical Office	annually

Education for Competitiveness Operational Programme

Type of indicator	Indicator	Definition	Unit of Measurement	Baseline data (2004)	Target value	Source	Monitoring frequency
	secondary education completed by an apprenticeship certificate		%	37.2	NA	Czech Statistical Office	annually
	secondary education completed by school-leaving examination		%	32.6	NA	Czech Statistical Office	annually
	tertiary		%	10.9	NA	Czech Statistical Office	annually
	Proportion of persons with tertiary education (in the 25-64 age group) in the total population in given age group	<i>OECD</i> A proportion of persons with tertiary education in the 25-64 age group in the total population aged 25-64.	%	13.5	NA	Czech Statistical Office OECD	annually
	Average length of formal education in total	<i>OECD</i> Average number of years spent by a child aged 5 years in education system and various levels of education during its life.	number	17	NA	IIE OECD (2004)	annually
	Number of pupils per teacher	Number of pupils (at primary schools, secondary schools, conservatories and tertiary professional schools) calculated per work load of a teacher.	persons	13.1	NA	IIE	annually

Programme indicators

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Outputs	Sum of shown values for priority axis 1, 3, 4a, 4.b, 5a, and 5b	<u>Number of newly created/innovated products/</u>	Total number of newly created/innovated products, where changes in their objectives, contents, methods and forms have increased their quality (new/innovated educational programmes, new educational modules, study material, pilot verification, analyses, studies, syntheses, teaching aids, e-learning courses, web portals, etc.).	number	0	10,395	EC OP monitoring system	annually
	Sum of shown values for priority axis 1, 2, and 3	<u>Number of successfully supported persons</u>	Total number of successfully supported persons who have received one or more grants within accepted projects and completed the course/programme/subject in a prescribed manner. Each person who has received the grant is calculated just once in one project (the supported persons are not shown for system projects).	number	0	2,308,500	EC OP monitoring system	annually

Type	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Results	Developing and improving quality of initial education with emphasis on improving key competencies of school leavers to increase their employability in the labour market and motivation for further education	<u>Proportion of graduates from secondary education completed by a school-leaving examination in the respective population.</u>	A proportion of graduates aged 19, from secondary education completed by a school-leaving examination.	%	56	increase by 3 %	IIE Czech Statistical Office	annually
Results	Innovation in the area of tertiary education towards a greater flexibility and creativity of graduates to be employable in knowledge economy, increasing attractiveness of conditions for research and development, and towards creation of comprehensive and effective tools to support the innovation process as a whole.	<u>Proportion of students of tertiary education in the respective population</u>	OECD A proportion of students - men in tertiary education, aged 19-22, in total number of persons of given age group.	%	45	55	IIE Czech Statistical Office	annually

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Results	Strengthening adaptability and flexibility of human resources as an essential factor of the economy's competitiveness and of the sustainable development of the Czech Republic by promoting further education both on supply and demand sides	<u>Proportion of persons, aged 25-64, participating in lifelong learning in the population aged 25-64</u>	<i>NSRF specific objective 2</i> A proportion of persons, aged 25-64, participating in education and vocational training in the respective population.	%	5.6	10.,0	Czech Statistical Office, Eurostat	annually
Impacts	Development of educational society to strengthen the Czech Republic's competitiveness by modernisation of the system of initial, tertiary and further education, and the links to a comprehensive system of lifelong learning, and to improve conditions in research and development.	<u>Application of graduates by type of completed education</u>	Application of persons having completed their initial or further education, 6 months after successful completion of the relevant type of education. Application will be ascertained by means of an evaluation study on a specified sample of graduates from initial or further education supported within the scope of the EC OP. The application categories will be defined when setting up the study.		Evaluation study		external authors	3 times in programming period, i.e. at the beginning of 2008, and in 2013 and 2015.

Priority axis 1

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Outputs	1.1 Improving quality in education.	<u>Number of newly created/innovated products/</u>	Total number of newly created/innovated products where changes in their objectives, contents, methods and forms have increased their quality (new/innovated educational programmes, new educational modules, study material, pilot verification, analyses, studies, syntheses, teaching aids, e-learning courses, web portals, etc.).	number	0	6,300	EC OP monitoring system	annually
	1.2 Equal opportunities for children/pupils, including those with special educational needs.							
	1.3 Further education of staff at schools and educational institutions	<u>Number of successfully supported persons</u>	Total number of successfully supported persons (employees) at schools and school facilities, who have received any form of grant within a project and completed the course in a prescribed manner.	number	0	368,100	EC OP monitoring system	annually

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Results	I.1 Improving quality in education	<u>Proportion of pupils involved in educational activities within projects compared to total number of pupils at schools and educational institutes</u>	A proportion of pupils involved in educational activities within projects compared to total number of pupils at schools and educational institutes.	%	0	70	EC OP monitoring system IIE	annually

Type	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
	1.2 Equal opportunities for children/pupils, including those with special educational needs	<u>Proportion of pupils with special educational needs in integrated classes in total number of pupils with special educational needs</u>	A proportion of pupils with special educational needs in integrated classes in total number of pupils with special educational needs.	%	45,3	55	EC OP monitoring system IIE	annually
	1.3 Further education of staff at schools and educational institutes	<u>Proportion of successfully supported staff at schools and educational institutes in total number of staff at schools and educational institutes</u>	A proportion of successfully supported persons (employees) at schools and educational institutes, who have completed the course in a prescribed manner, in total number of staff at schools and educational institutes.	%	0	90%	EC OP monitoring system IIE	annually

Priority axis 2

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline date	Target value 2015	Source	Monitoring frequency	
Outputs	2.1 Improving quality of education tertiary professional schools. 2.3 Increasing quality and diversification of universities with emphasis on knowledge economy requirements. 2.3 Improving quality of human resources in research and development. 2.4 Strengthening relations between the tertiary education institutions, research institutions and private sector entities and universities.	Total number of supported persons	Total number of persons supported within projects.	number	0	140,400	EC OP monitoring system	annually	
		including	Total number of supported persons-students	Number of persons (total number of students at universities and tertiary professional schools) supported within projects.	number	0	126,500	EC OP monitoring system	annually
			Total number of supported persons – employees in further education	Total number of persons (employees in further education) supported within projects.	number	0	13,900	EC OP monitoring system	annually
		of which	research and development employees	Total number of persons (employees in further education; in R&D) supported within projects).	number	0	6,000	EC OP monitoring system	annually

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline date	Target value 2015	Source	Monitoring frequency
	2.4 Strengthening relations between tertiary education institutions, research institutions and private sector entities and universities	<u>Number of involved partners</u>	Total number of partners involved in projects (partner = any person who has concluded a partnership agreement with the applicant).	number	0	450	EC OP monitoring system	annually
Results	2.1 Improving quality of education at tertiary professional schools	<u>Proportion of successfully supported persons-students in tertiary education in the total number of supported students in tertiary education</u>	The proportion of successfully supported university and tertiary professional school students within EC OP projects in the total number of supported university and tertiary professional school students.	%	0	90	EC OP monitoring system	annually
	IIE							
	2.2 Increasing quality and diversification of universities with emphasis on knowledge economy requirements	<u>Proportion of successfully supported persons – employees in further education in the total number of supported persons – staff in further education</u>	The proportion of successfully supported persons – employees in further education within EC OP in the total number of supported persons – employees in further education.	%	0	90	EC OP monitoring system IIE	annually
2.3 Improving quality of human resources in research and development	<u>Proportion of successfully supported persons – employees in R&D in the total number of supported persons – employees in R&D</u>	The proportion of successfully supported persons – employees in R&D in the total number of supported persons – employees in R&D.	%	0	90	EC OP monitoring system R&D IS	annually	

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline date	Target value 2015	Source	Monitoring frequency
	2.4 Strengthening relations between tertiary education institutions, research institutions and private sector entities and universities	<u>Sustainability of created partnerships</u>	The proportion of partnerships that are working six month after the support is finished.	%	0	20	MA EC OP	2 times in programming period

Priority axis 3

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Outputs	3.1 Facilitation of individual access for the Czech Republic's population to further education and an increase in its motivation to lifelong learning	<u>Number of successfully supported persons</u>	Number of participants in further education, who have successfully completed an educational programme under the EC OP in the prescribed manner.	number	0	1,800,000	EC OP monitoring system	annually
	3.2 Extension of further education offer and increase in information on further education offer	<u>Number of newly created/innovated products</u>	Total number of newly created/innovated products – new/innovated educational programmes, educational modules, study material, pilot verification, analyses, studies, syntheses, teaching aids, e-learning courses, web portals, innovated educational programmes, etc.).	number	0	2,300	EC OP monitoring system	annually
Results	3.1 Facilitation of individual access for the Czech Republic's population to further education and an increase in its motivation to lifelong learning. 3.2 Extension of further education offer and increase in information on further education offer.	<u>Proportion of participants in individual actions of further education / number of persons in further education (in total population, aged 25-64 years)</u>	Total number of participants in individual actions of further education in total population that is economically active and aged 25-64 years.	%	0	30	Czech Statistical Office	annually

Priority axes 4a and 4b

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring periodicity
Outputs	4.1 Creation of a system to support increasing the quality of initial education	<u>Number of newly created/innovated products aimed at increasing the quality of initial education</u>	Total number of newly created/innovated products where the changes in their objectives, contents, methods and forms have increased their quality (new/innovated educational programmes, new educational modules, study material, pilot verification, analyses, studies, syntheses, teaching aids, e-learning courses, web portals, etc.).	number	0	Convergence 100 Regional Competitiveness and Employment 8	EC OP monitoring system	annually
	4.2 Creation of a system framework of tertiary education and development of human resources in R&D activities	<u>Number of newly created/innovated products in the area of tertiary education and development of human resources in research and development</u>	Total number of newly created/innovated products - new educational modules, study material, pilot verification, analyses, studies, syntheses, web portals, innovated educational programmes, etc.	number	0	Convergence 81 Regional Competitiveness and Employment 6	EC OP monitoring system	annually
	4.3 Completion of the system framework concept of further education and ensuring its link to initial education.	<u>Number of newly created/innovated products in the area of further education and products aimed at ensuring the link between further education and initial education</u>	Total number of newly created/innovated products where the changes in their objectives, contents, methods and forms have increased their quality - new educational programmes, study material, pilot verification, analyses, studies, syntheses, teaching aids, e-learning courses, web portals.	number	0	Convergence 1,300 Regional Competitiveness and Employment 100	EC OP monitoring system	annually

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring periodicity
Results	4.1 Increasing quality of initial education.	<u>Number of new/innovated products with nationwide impact</u>	Number of newly created products with nationwide impact (laws, law amendments, by-laws, Government decrees, White Papers, concept documents, National Qualification System	number	0	Convergence	EC OP monitoring system	annually
	59							
	Regional Competitiveness and Employment							
4.2 Creation of a system framework of tertiary education and development of human resources in research and development.					4			
4.3 Completion of the concept of system framework of further education, and ensuring its link to initial education								

Priority axes 5a and 5b

Type of indicator	Specific objective	Indicator	Definition	Unit of measurement	Baseline data	Target value 2015	Source	Monitoring frequency
Outputs	5.1 Management, control, monitoring and evaluation of the programme. 5.2 Programme information and publicity. 5.3 Absorption capacity of entities implementing the programme.	<u>Number of newly created products (Implementation of studies and reports)</u>	Number of created studies (e.g. on-going, ex-ante, ex-post, ad-hoc) and reports focused on the programme preparation (programme documents) and monitoring and evaluation of its implementation.	number	0	Convergence 186 Regional Competitiveness and Employment 14	EC OP monitoring system	annually
	5.1 Management, control, monitoring and evaluation of the programme. 5.2 Programme information and publicity. 5.3 Absorption capacity of entities implementing the programme.	<u>Number of implemented trainings, seminars, workshops, and conferences</u>	Number of implemented events – training, seminars, workshops, conferences, etc.	number	0	Convergence 929 Regional Competitiveness and Employment 71	EC OP monitoring system	annually
Results	5.1 Management, control, monitoring and evaluation of the programme. 5.2 Programme information and publicity. 5.3 Absorption capacity of entities implementing the programme.	<u>Rate of satisfaction of grant beneficiaries</u>	Rate of satisfaction of grant beneficiaries; the evaluation will cover communication with Intermediate Bodies/Managing Authority, quality of the methodology used for the project implementation, unambiguous nature and completeness of rules, quality and promptness of processing the data to be sent and applications for grants in Intermediate Bodies/Managing Authority, and sending the payments in time. The rate of satisfaction is expressed in % based on processed questionnaires.	%	0	Convergence 70 Regional Competitiveness and Employment 70	EC OP monitoring system	annually

IV. Implementation of Education for Competitiveness OP

In accordance with the Council Regulation (EC) No 1083/2006, Article 59, this chapter describes the implementation framework of the programme, the structure of the institutions and bodies, and the procedures and measures for physical and financial management of the EC OP for the territory of the Czech Republic included under the “Convergence” objective.

The description of programme management and control also reflects the relevant legal norms of the Czech Republic, resolution of the Czech Government, and methodological instructions of the National Co-ordination Authority and the Payment Authority and Certifying Authority (PAC) for the receipt of financial resources from Structural Funds (SF) and Cohesion Fund (CF) of the European Union for the 2007 – 2013 programming period.

Within the management and implementation of the EC OP, or individual processes, the experience gained by individual bodies of the implementation structure during the previous shortened programming period 2004-2006 (refer to Chapter I/1.5) will be used to its maximum extent, irrespective of whether it applies to the set-up of the monitoring system (MRD, MEY&S), selection process, project monitoring and control (MEY&S – experience from the HRD OP, regions – experience gained from the HRD OP and JR OP), strengthening the administrative capacity, or to the area of auditing and certifying the expenditure spent (MF). In areas that are more distant as to the role of Intermediate Bodies in the HRD OP for the MEY&S (e.g. programme evaluation, co-operation with the Payment Authority and Certifying Authority, etc.), a close co-operation with other Managing Authorities (e.g. MRD, MLSA) will be used.

1. Managing and Implementing Authorities of the Operational Programme

In the sense of Articles 59 and 60 of Council Regulation (EC) No 1083/2006, the individual authorities/entities of the Operational Programme’s implementation structure are set forth below. The settings are performed in a spirit of simplicity, transparency and direct legal ties. The principle of separation of activities among the authorities was respected in accordance with Articles 59 to 63 of Council Regulation (EC) No 1083/2006.

In accordance with the content definition of the EC OP, the programme management will be ensured by the following authorities:

In accordance with Czech Republic Government Resolution No 198/2006, the Ministry of Regional Development has been authorized to act as the coordination and methodological body of the Cohesion Policy National Framework.

In accordance with Article 59 paragraph 1a of Council Regulation (EC) No 1083/2006 and Czech Republic Government Resolution No 175/2006, the Ministry of Education, Youth and Sports has been authorized to act as the Managing Authority of the Education for Competitiveness OP.

In accordance with Article 59 paragraph 1b of Council Regulation No 1083/2006 and Czech Republic Government Resolution No 198/2006, the Ministry of Finance (MF) of the Czech Republic has been authorized to act as a sole Payment Authority and Certifying Authority for implementation of the aid from structural funds (SF) and the Cohesion Fund (CF).

In accordance with Article 59 paragraph 1c of Council Regulation No 1083/2006 (except as already set forth by effective legislation of the EU and the Czech Republic), the Ministry of Finance – Central Harmonization Unit for Financial Audit has been authorized, upon Czech

Republic Government Resolution No 198/2006, to act as the external Audit Authority for the implementation of aid from Structural Funds (SF) and the Cohesion Fund (CF).

In accordance with Article 63 of Council Regulation (EC) No 1083/2006, the Monitoring Committee shall be formed no later than 3 months after the decision by the European Commission to provide the funds for the EC OP. The Monitoring Committee shall be established on the principle of partnership and equal opportunities (for more information refer to the 'Monitoring of the Operational Programme and Electronic Information Exchange' chapter).

In accordance with Article 71, paragraph 1 Council Regulation (EC) No 1083/2006 and Articles 21, 22 and 23 EC Regulation No 1828/2006 description of managing and control systems will contain the designation of department in the framework of EC OP implementing structure which will be responsible for resolution on eligibility expenditures.

1.1 Managing Authority

The EC OP Managing Authority (MA) is fully responsible for the proper and effective management of the programme and implementation of aid in accordance with European Union regulations and national standards.

Pursuant to Czech Republic Government Resolution No 175/2006, the Ministry of Education, Youth and Sports has been authorized to act as the EC OP Managing Authority. Based on the Minister's order from 28 June 2006, the EU Affairs Department (O 60), later renamed as the ESF Programme Management Department, has been authorized to ensure the function of the EC OP Managing Authority.

The EC OP Managing Authority, according to Council Regulation (EC) No 1083/2006, shall, in particular:

- a) ensure that the operations for financing are selected on the basis of criteria for EC OP and remain in accordance with the applicable regulations of the Community and national legislation throughout the entire period of implementation;
- b) verify the supply of co-financed products and services, the actual expenditure made on operations as reported by the beneficiaries and their compliance with the Community regulations and national legislation; on-site verification regarding individual operations may be performed on the basis of a sample in compliance with the implementation rules adopted by the Commission using the procedure according to Article 103 paragraph 3 of general regulation;
- c) ensure the existence of a system for recording and retaining electronic accounting records for each operation within the scope of the Operational Programme and collection of data on the implementation necessary for financial management, monitoring, verification, audit and evaluation;
- d) ensure that the beneficiaries and other entities involved in performing the operations maintain either a separate accounting system or use a corresponding accounting code for all transactions relating to operations, without prejudice to the Accounting Act No 563/1991 Coll.;
- e) ensure that the evaluation of Operational Programmes according to Article 48 paragraph 3 of the Council Regulation No 1083/2006 is performed in accordance with Article 47;

- f) specify procedures to ensure that all documents relating to expenditure and audits necessary for ensuring the adequate aid for audit with focus on financial flows are kept in accordance with the requirements of Article 90;
- g) ensure that the certifying authority obtains, for certification purposes, all necessary information on procedures and verifications performed in connection with expenditure;
- h) manage the work of the Monitoring Committee, and provide the same with documents enabling the Committee to monitor the quality of implementation of the Operational Programme with regard to its specific objectives;
- i) prepare annual and final reports on implementation, and submit them to the Commission after approval by the Monitoring Committee;
- j) ensure compliance with the requirements for information and publicity as set forth in Article 69 of the Council Regulation No 1083/2006.

The EC OP Managing Authority shall perform the following tasks:

- create and maintain an efficient and effective internal Management and Control System for the Operational Programme;
- coordinate the implementation bodies during selection of projects in accordance with criteria and in accordance with national legislation and the EU legislation throughout the implementation period;
- approve individual projects and global grants submitted by implementation bodies, and participate in approving individual grant projects;
- ensure a verification whether the co-financed products and services have been supplied and provided and whether the applied recognizable expenditure has really been spent and are in compliance with the EU and national legislations; it may further carry out physical verification for any selected sample of individual operations/projects in accordance with the applicable methodology of the Commission;
- ensures the retaining of accounting documents for each individual operation of the given operational programme in electronic form, and provide for archiving the data relating to financial management, monitoring, evaluation, publicity, discrepancies, controls and audits;
- ensure that the beneficiary and other entities included in the implementation use a separate accounting system or an adequate accounting code for all transactions relating to operations/projects without breaching national accounting regulations;
- ensure the evaluation of the Operational Programme according to Article 48 paragraph 3 and in accordance with Article 47 of Council Regulation (EC) No 1083/2006 (it shall create, fulfil and evaluate the fulfilment of the evaluation plan);
- ensure procedures for the retaining of documents related to specific expenditure and payments made within the scope of the given support and required as a sufficient aid for the auditing and retaining these documents in accordance with the requirements of Article 90;

- ensure that the information is submitted to the Payment Authority and Certifying Authority, i.e. the information relating to selection procedures and project financing for certification purposes;
- ensure the function and activity of the Monitoring Committee – providing of information to the MC in order to verify the quality of implementation of the operational programme and monitoring of the fulfilment of specific objectives;
- ensure the preparation of annual and final reports for the European Commission;
- ensure that the data are administered in the electronic monitoring system, and the interconnection with the national monitoring system of structural funds (MSSF) and other information systems (such as ISPROFIN, etc.);
- settle any discrepancies resulting from implementation of the Operational Programme together with all relevant partners;
- manage that the publicity is ensured in accordance with the rules (it shall create, fulfil and evaluate the fulfilment of a communication action plan);
- ensure and submit documents for the purpose of control at all levels and for the requirements of internal and external audit (for their analytical and reporting activity);
- ensure remedial measures if any deficiency occurs (e.g. as found at controls and audits);
- provide for compliance of its activities with the National Coordinating Authority's requirements.

All bodies participating in the implementation of the EC OP are obliged to report any suspected irregularities found to the Managing Authority. The EC OP Managing Authority is methodically supported by the NSRF National Coordinating Authority that issues instructions and recommendations aimed at efficient achievement of all the tasks required.

1.2 Intermediate Bodies

The role of intermediate body of the EC OP has been delegated to the Czech Education and Research Agency Department (hereinafter referred to as “CERA”) in the MEY&S. In the following period, the department is expected to be transformed into a body specifically set up for this purpose, and directly controlled by the MEY&S. A part of the implementation (in Priority axis 1 and Priority axis 3) will be ensured by means of global grants for regions. 13 regions will act as intermediate bodies for these global grants.

The Intermediate Body is an entity to which the Managing Authority delegates the performance of some of its activities. The scope of delegated activities is specified in a form of written agreement between the Managing Authority and the Intermediate Body. The Intermediate Bodies prove the readiness to meet the tasks that have been delegated to them and the administrative capacity to ensure the latter. In particular, responsibility delegated to Intermediate Bodies by the Managing Authority shall cover the project selection, monitoring and control, verification of applications for payments, and the corresponding information provided to potential beneficiaries

and their partners regarding the possibilities of financing from respective EC OP areas of intervention, as well as publicity for all the above. This delegation shall not affect the overall responsibility of the Managing Authority for the implementation of the EC OP.

1.3 Paying Authority and Certifying Authority

The National Fund Department of the Ministry of Finance has been authorized to act as the Paying Authority and Certifying Authority of the Education for Competitiveness OP by a decision from the Minister of Finance issued on the basis of the Czech Republic Government Resolution No 198/2006 of 22 February 2006.

The tasks of the Paying Authority and Certifying Authority are specified in Council Regulation (EC) No 1083/2006 and in the Methodology of Financial Flows and Control of Programmes co-financed from structural funds, the Cohesion Fund and the European Fisheries Fund for the programming period 2007-2013 effective as of 1 January 2007.

The Paying Authority and Certifying Authority shall particularly perform the following tasks:

- administer the resources from the EU budget to be available on accounts opened with the Czech National Bank;
- compile and submit the request for ongoing and final payments to the Commission for all OPs based on expenditure statements submitted by the Managing Authority;
- receive payments from the Commission and, based on the review of correctness of summary requests submitted by the Managing Authority, transfer the resources from the EU budget to the receipt accounts of the administrators of individual national budget headings within 5 days following the receipt of the summary request;
- certify the expenditure made and prepare a certificate on the expenditure made, which will be sent together with a request for ongoing or final payment to the Commission, and for this purpose verify a proper functioning of the management and control system at all levels of implementation, including on-site controls;
- evaluate the drawdown of resources allocated from the EU budget;
- return the ineligible expenditure paid, including interests thereof, to the Commission unless decided in accordance with the EC regulations otherwise as to their reallocation within the OP where the ineligible resource drawdown was made, as well as the unused resources to the Commission;
- compile and update the methodology of certification of expenditure from the EU budget for financial flows and control of resources from the EU budget

1.4 Audit Authority

The Audit Authority is established in the sense of Article 59 of Council Regulation (EC) No 1083/2006. The Ministry of Finance has been authorized to act as the Audit Authority by Government Resolution No 198/2006 of 22 February 2006. The Managing Authority shall be responsible for ensuring conditions for performing audit and controls, namely at all

implementation levels, and ensuring that the audit reports are submitted to the Audit Authority, namely from all implementation levels. A uniform approach to audit at all implementation levels and the reporting of audit findings facilitate risk management at the Managing Authority level.

Internal Audit

This level of audit is ensured by the unit of the Ministry of Education, Youth and Sports commissioned to perform internal audits according to Act No 320/2001 Coll. The main task of the internal audit is, in particular, to review the activities of the management and control system of the Operational Programme.

Reports on internal audits made at individual implementation levels are submitted to the relevant chief public administration body, the National Coordinating Authority, the Monitoring Committee, and to the Managing Authority.

The internal audit also fulfils the role of the Intermediate Authority of the Audit Authority and ensures entering the data on irregularities in AFCOS (AFCOS contact point).

External Audit

These are audits performed by authorised entities beyond the implementation structure of the Operational Programme and beyond the competence of the internal audit. The external audit can be performed by Central Audit Bodies, i.e. for instance the Central Harmonization Unit, the Supreme Audit Office, the EU bodies (the European Commission, the European Court of Auditors, OLAF), etc. In accordance with Czech Republic Government Resolution No 198 of 22 February 2006, the Ministry of Finance has been authorized to act as the Audit Authority (in terms of an entity outside the implementation structure). The Minister for Finance has decided to entrust this function to the Central Harmonization Unit for Financial Control, which is functionally independent of the Managing Authority and the Payment Authority and Certifying Authority.

Reports on external audits made at individual implementation levels are submitted to the European Commission, the relevant chief public administration body, the National Coordinating Authority, the Monitoring Committee, and to the Managing Authority.

In accordance with the requirements of Article 62 of Council Regulation (EC) No 1083/2006 and in accordance with Czech regulations, the Audit Authority shall perform the following activities, in particular:

- ensure an audit of readiness for the management and control system of the programme;
- prior to submission of the request for the first payment, however, no later than 12 months after approval of the programme, it shall present the European Commission with a report assessing the setup of the OP management and control systems, including an opinion on their compliance with the relevant provisions of Community regulations;
- within 9 months of approval of the Operational Programme, it shall present the European Commission with an audit strategy, including the entities that are to perform the audits (it shall update this strategy including the audit plan annually, and check its fulfilment quarterly);

- ensure that audits are conducted in public administration with the aim of verifying the effective functioning of the programme's management and control system;
- every year it shall present the European Commission with an updated audit strategy, a sample selection method for operation auditing and orientation audit planning, ensuring that the audits are conducted for the main entities and evenly distributed throughout the programming period;
- every year it shall present the European Commission with a consolidated plan for the auditing of resources granted from EU funds;
- conduct quarterly checks of the implementation of the consolidated audit plan, and provide information on such implementation to the Payment Authority and Certifying Authority;
- ensure that an audit is conducted in public administration on a suitable sample of operations to verify the expenditure reported by the European Commission;
- ensure a methodological management of other auditing entities involved in audits related to the public administration of the Operational Programme, and supervise the quality of public administration audits conducted by other auditing entities for projects co-financed from SF;
- participate in creating and updating the methodological guidelines for auditing the public administration of resources from the Operational Programme;
- every year, from 2008 to 2015, it shall present the European Commission with an annual inspection report containing its findings from audits conducted during the previous year in accordance with the Operational Programme's audit strategy, along with deficiencies identified in the programme's management and control systems. Information concerning audits conducted after 1 June 2015 and in 2016 shall be included in the final inspection report, which is the basis for the declaration on conclusion;
- every year it shall issue an opinion to the European Commission on whether the functioning of the management and control system provides a reasonable guarantee that the statements of expenditure submitted to the Commission are correct and that the related transactions are proper and legal;
- present a declaration on partial conclusion, assessing the legality and regularity of the concerned expenditure in accordance with Article 88 of Council Regulation (EC) No 1083/2006;
- by 31 March 2017 at the latest, it shall present the European Commission with a declaration on conclusion, assessing the validity of the request for the final payment and the legality and regularity of the related transactions included in the final statement of expenditure;
- conduct analyses of reported irregularities in order to draw up a declaration on conclusion or a declaration on partial conclusion;
- draw up an annual report on the results of financial checks under the Operational Programme for the Czech Government;

- participate in audit missions of the European Commission to review the aspects of the management and control system that resulted from the annual inspection report;
- co-operate with the European Commission in the coordination of audit plans and auditor methods, and exchange the results of conducted audits with it;
- ensure that internationally acknowledged auditing standards are taken into consideration during auditing activities;
- assume the responsibility for ensuring the above-mentioned activities; it may delegate the selected activities to other audit bodies, however, its own responsibility for them remains untouched. Only one level of authorization is permitted for the performance of the above-mentioned activities.

1.5 Financial Department

By order of the Minister of Education, Youth and Sports No. 13 of 3 April 2007, a unit was appointed to ensure the activities of the Financial Department so as to meet the condition of separation of functions of the payment, management and control lines. With the effective date of 1 July 2007, the Chief Accountant and Accounting Methodology Department of the MEY&S (Economy and Legal Group, Economy Section) has been authorized to act as the Financial Department.

Within the EC OP implementation, the Financial Department forms an interlink between the Managing Authority and the Payment Authority and Certifying Authority of the MF.

The Financial Department shall primarily perform the activities arising out of the Methodology for financial flows:

- within 15 working days from receipt of application for payment from the MA or IB24, as appropriate, it shall ensure the transfer of funds to beneficiaries from national budget (NB) for pre-financing of the expenditure that should be covered by funds from the EU budget, and from the national budget funds intended for national funding;
- keep accurate and complete records on resource transfers made from SB funds to beneficiaries;
- communicate to the MA the requested data on made transfers of resources to the beneficiaries according to its records (particularly the data on the beneficiary, the amount of funds transferred, and the date of payment to the beneficiary) in electronic form via the monitoring system;
- keep books in accordance with national legal regulations, and record the data on all operations concerning the administration of resources from SF, and when conducting individual activities connected with the transfer of resources to beneficiaries, it shall proceed in accordance with internal written working procedures (manuals);

²⁴ For programmes controlled by the MEY&S, where beneficiaries are schools or educational organisations established in a form of allowance organisations that are obliged to follow employment control limits, the respective limit will be 30 working days.

1.6 National Coordinating Authority (NCA) - Ministry for Regional Development

Under the Czech Government Resolution No. 198 from 22 February 2007, the Ministry of Regional Development has been commissioned to act as the National Coordinating Authority to coordinate all aspects of the NSRF.

The NCA as a central coordinator establishes a uniform framework for the implementation of OPs by managing authorities. It guides the managing authorities with the purpose of ensuring efficiency and legality in the management of the operational programmes. The NSRF coordinating authority has the following competencies:

- issues instructions and guidelines with respect to the management, evaluation, data collection and its electronic exchange, the establishment, activities of monitoring committees, controls and supervises every activity that falls within the tasks of the managing authorities of the operational programmes;
- monitors the implementation of the NSRF and the operational programmes and proposes systemic measures in cases of low implementation of assistance, objective barriers hindering implementation or upon violation of regulatory obligations;
- provides for the compatibility of the NSRF and OPs' implementation with national policies and the policies and priorities of the EU and for the compliance of the interventions with national and community law, in particular with respect to competition provisions, public contracts, protection of the environment, eliminating disparities, promoting equal opportunities and the principle of non-discrimination and proposes appropriate measures with respect to their effective implementation;
- ensures the establishment of the framework of functioning of the Monitoring Committee of the NSRF;
- formulates, in cooperation with the PCA, the rules eligibility of expenditure;
- coordinates and prepares the reports to be submitted to the EC;
- ensures preparation of other reports, including NRP referring to the Lisbon strategy co-financed from SF and CF;
- submits strategic reports on progress according to Article 29 of the General Regulation;
- ensures the establishment of basic selection criteria for project selection for meeting the four strategic NSRF objectives;
- sets up and ensures the functioning of an integrated monitoring information system to be used by the Managing Authorities in all OPs, the Paying and Certifying Authority and the Audit Authority and ensures the electronic exchange of documents and data;
- fulfils the tasks related to the publicity at the national level of economic and social cohesion policy realisation, ensures planning, realisation and co-ordination of actions in support of general awareness and co-ordinates the activities of the managing authorities in this area;
- creates a communication strategy on the national level to ensure transparency and full awareness of the aid provided from the SF and the CF, taking into account the Lisbon objectives;

- ensures the activities of the working group for evaluation, NCA and managing authorities representative being the members;
- guarantees the flow of information from/to the EC to/from the MA;
- sets conditions for assessment of the efficiency of control mechanisms;
- supervises the compliance with the state aid rules (and regional aid), as laid down in applicable European and national acts;
- prepares the methodology for the setting of indicators and monitoring of their fulfilment;
- monitors the observance of commitments on additionality and provides the Commission with the required information for its verification, as provided for in article 15 of the Regulation;
- participates in the annual meetings of the managing authorities of the operational programmes and the Commission as provided for in article 68 of the Regulation;
- ensures that the priorities of paragraph 3 of article 9 of the General Regulation 1083/2006 will be reflected in the implementation of the NSRF operational programmes and monitors the progress of their implementation.

1.7 Co-ordination within framework of ESF

In the programming period 2007-13 the support from ESF will be provided through three OPs (Human Resources OP, Education for Competitiveness and Prague Adaptability OP). It means that three Managing Authorities will ensure implementation of these OPs – Ministry of Labour and Social Affairs, Ministry of Education, Youth and Sports and Prague City Council. The mutual links (complementarity) of the OPs co-funded from the ESF shall also be ensured during their implementation, based on co-operation and mutual co-ordination of activities in the following areas:

- The monitoring committees of the individual programmes will be mutually interconnected by means of representatives from the same member organizations;
- The managing authorities of the other two programmes will be represented in the individual monitoring committees;
- A co-ordination group of the ESF programme managing authorities will be established identifying common topics to be solved and suggesting solutions;
- The central part of the MSC2007 monitoring system of all OP's will be accessible to the managing authorities in order to ensure the mutual exchange of information and awareness of implemented projects;
- The communication strategy of individual OP's will contain common topics (e.g. uniform elements of visual identity – ESF logo, continued administration of the joint ESFCR website established during the last programme period, joint annual conferences presenting results of ongoing programmes, etc.);
- Certain groups established in the existing programme period will continue their activities, e.g. Working Party for Roma Community Affairs (this group was established to liaise jointly with the monitoring committees of HRD OP, JPD 3 and EQUAL).

The principal co-ordination role for the ESF has been entrusted to MoLSA in conformity with Government Resolution No. 159/1998. Given the scope of activities of MoLSA, a representative of the Managing Authority of HRE OP will be the member of the ESF Committee. The alternate member will be a representative of the Managing Authority of EC OP.

Co-ordination within framework of ESF will include mutual preparation for ESF Committee meetings, preparation of documentation and giving feedback about the results or duties stemming from those meetings. A co-ordination group of the ESF programme Managing Authorities will suggest solutions to common topics concerning the ESF.

2. Monitoring of the Operational Programme

Monitoring within the scope of the EC OP is set up in compliance with Articles 62 to 67 of Council Regulation (EC) No 1083/2006.

Monitoring is a basic instrument in achieving efficient implementation of programmes and projects. This activity methodologically regulates and systematically deals with the collection, sorting, aggregating and saving of relevant information for the needs of management, evaluation, control and feedback of the implementation structure. It draws attention to areas that are working well and to those requiring remedial actions.

Keeping the European Commission and the National Coordinating Authority informed about the progress achieved in the process of implementation of the Operational Programme is an important function of monitoring. Insufficiently effective monitoring may result in sanctions from the National Coordinating Authority and, particularly, from the European Commission bodies.

Under the Czech Republic Government Resolution No 198/2006, a central monitoring system shall be set up to collect the programme and project implementation data. The Managing Authority of EC OP shall be responsible for the functioning of the relevant part of the electronic monitoring system for collection of the necessary financial and statistical data from the level of projects. Beneficiaries of the aid shall provide the project implementation data within the scope and in a form required by the Managing Authority.

2.1 Role of the EC OP monitoring

Thus, monitoring of the Operational Programme is the basic instrument for determining the implementation status of:

- Operational programme;
- Individual supported projects.

Monitoring has several levels that reflect the structure of programmes co-financed from the Structural Funds and the Cohesion Fund in the following hierarchy: NRP/NSRF – Operational Programme – priority – area of intervention – project. In this context, monitoring of the EC OP shall fulfil the following key tasks:

- ensuring the data collection;
- submitting the summary information on the current status of the implementation.

Monitoring tasks cover three significant areas of implementation of the Operational Programme:

- financial monitoring;
- material monitoring;
- procedural monitoring.

Financial monitoring collects data and information concerning financial expenditure.

Material monitoring refers to the physical orientation of projects (of any type) and is further subdivided into technical monitoring (monitoring of deviations in technical preconditions for the implementation of action, project, programme), physical monitoring (monitoring of compliance of reality with the presented action plan, project, programme), and analytical monitoring (monitoring of the development of system links in the life cycle of the programme and its projects; for example, it supports the consolidation and simplification of terminology, process classification, links in cascade mode, etc.). Material monitoring should provide indicator values, the collection of which is performed within the projects.

Procedural monitoring enables the real-time monitoring of the progress in the implementation of projects.

The Managing Authority holds the overall responsibility for the monitoring of the EC OP. The Managing Authority is particularly responsible for correct, efficient, systematic and timely monitoring, for the data entered into the monitoring system, and for informing the National Coordinating Authority and the European Commission. The Intermediate Body and the Payment Authority are addressed in the area of monitoring on a regular basis, or at random, if necessary; these bodies pass and provide the information required by the EC OP Managing Authority or the National Coordinating Authority, as applicable (a request by the National Coordinating Authority shall always be passed through the EC OP Managing Authority). The data are transmitted automatically and thus automatically available for each party concerned.

2.2 Monitoring Committee

A Monitoring Committee for the Education for Competitiveness OP (MC) shall be set up in accordance with Article 63 of Council Regulation (EC) No 1083/2006 under the proposal of the Operational Programme's Managing Authority within three months from approval of the Operational Programme.

The number of members of the Monitoring Committee and its competencies are stipulated in its Status and Rules of Procedure. The composition of the Monitoring Committee shall be based on the partnership principle and on the principle of equal opportunities in accordance with Article 64 of Council Regulation (EC) No 1083/2006. (The composition shall be based on a balanced representation of women and men, and organisations promoting equal opportunities shall be represented.) The Monitoring Committee shall include the representatives of:

- National Coordinating Authority;
- Partner ministries;
- Regions;

- Social partners;
- Non-governmental not-for-profit organisations;
- European Commission institutions (DG Employment, etc.);
- Other relevant partners.

The Monitoring Committee shall be presided over by a representative of the Managing Authority appointed by the Minister for Education, Youth and Sports. The EC OP Managing Authority shall ensure the function of the Monitoring Committee's secretariat. Members of the Monitoring Committee shall be appointed by the Minister for Education, Youth and Sports based on proposals by the individual bodies and partners as above.

In accordance with Article 65 of Council Regulation (EC) No 1083/2006, the Monitoring Committee shall fulfil the following tasks:

- review and approve the criteria for the selection of projects, i.e. within six months from approval of the EC OP; and approve the revisions to selection criteria in accordance with the Operational Programme's needs;
- evaluate the progress in achieving the specific Operational Programme objectives based on documents presented by the Managing Authority of the Education for Competitiveness OP;
- review results of the implementation, achievement of the objectives specified for priority axis and implementation of evaluation;
- approve the presented annual reports and final report prepared in full compliance with Article 67 of Council Regulation (EC) No 1083/2006;
- accept the annual inspection report concerning the implementation of the EC OP;
- propose revising the Operational Programme to the Managing Authority with a view to achieving its objectives set up in accordance with Council Regulation (EC) No 1083/2006 and with a view to the need of improving its management, including financial management, and approve any changes to the programme (e.g. re-allocation, etc.);
- propose responses by the Education for Competitiveness OP to recommendations of the European Commission or the National Coordinating Authority and the Payment Authority and Certifying Authority that concern the fulfilment of the programme.

2.3 Monitoring Reports

Monitoring reports shall be drawn up in accordance with Council Regulation (EC) No 1083/2006. The Managing Authority shall draw up the following:

- Annual reports;
- Final report;
- Materials for reports at national level and for standardized monitoring (standard monitoring table, etc.);

- Materials for strategic reporting.

Annual and Final Reports

The Managing Authority shall always submit the annual reports to the European Commission for the previous calendar year as at 30 June. The annual reports shall be prepared starting from 2008. The Managing Authority shall submit the final EC OP implementation report to the European Commission by 31 March 2017.

Prior to the above-mentioned submission, the annual and final reports shall be approved by the EC OP Monitoring Committee. Within ten days from receipt of the report, the European Commission shall inform the Managing Authority about the acceptability of the report. The European Commission shall issue its overall standpoint on the submitted annual reports within two months and on the submitted final report within five months from submission by the member state. If no reply is received within this period of time, the reports shall be deemed approved.

The task of the annual and final reports is to sum up and provide relevant information concerning the progress made in implementation of the Operational Programme. Both types of reports shall include the following, as a minimum:

- progress achieved in implementation of the EC OP and its priorities in relation to their specific and verifiable objectives at the level of priority axis within the intentions of Article 36 paragraph 1c of Council Regulation (EC) No 1083/2006, expressed by means of the set measurable indicators;
- progress made in fulfilling the EC OP in relation to the objectives and priorities of the National Development Plan and the National Strategic Reference Framework (both documents drawn up for the 2007-2013 programming period);
- progress made in financial implementation of the EC OP at a detailed level for each priority axis, particularly the beneficiaries' drawing status and their requirements for payments from the Managing Authority, contribution from public budgets, total payments received from the European Commission, and quantification of financial indicators;
- for information, an indicative breakdown of allocated financial resources of the Operational Programme by category will be presented in accordance with the requirements of Article 104 paragraph 3 of Council Regulation (EC) No 1083/2006;
- procedures of the Managing Authority and the Monitoring Committee to ensure the quality of implementation of the EC OP, such as monitoring and evaluation measures (including the related data collection), summary of significant issues relating to the implementation, utilisation of technical assistance, etc.;
- description of steps and measures taken in the area of information and publicity (at all levels) concerning the EC OP (particularly information relating to the Communication Plan, its progressive fulfilment, revisions and other adjustments and continuous development);
- information on any significant problems relating to the observance of legal requirements of the Community and the Czech Republic identified within the implementation of the EC OP, including specification of measures regarding the manner in which such individual problems were settled;

- centrally binding data within the scope specified by the methodology of NDPS management and monitoring.

Documentation for reports at national level – Standardized monitoring

The documentation for reports at national level (Czech Republic National Development Plan 2007-2013 / National Strategic Reference Framework 2007-2013 / National Lisbon Programme / other relevant documents and strategies) and documents for standardized monitoring (standard monitoring table) shall be created depending on the current need as set forth by the National Coordinating Authority or the European Commission, as applicable. The EC OP Managing Authority shall respond flexibly to the above need, and provide the relevant materials to the extent needed.

Documentation for strategic reporting

The documentation for strategic reporting shall be submitted to the National Coordinating Authority according to the needs defined by the Authority and in accordance with the fulfilment of all relevant tasks resulting from the conditions specified in Article 29 of Council Regulation (EC) No 1083/2006.

2.4 Electronic monitoring system and electronic data exchange

With the effective date of 1 January 2007, the monitoring system 'Central' (MSC2007) was prepared pursuant to Council Regulation (EC) No. 1083/2006, the requirements of the European Commission for monitoring of programmes co-financed from the EU funds, the requirements of the National Cohesion Policy Framework, the requirements of the Payment Authority and Certifying Authority of the Ministry of Finance, and under the Czech Government Resolution No 198/2006. The MSC2007 enables the Managing Authority to effectively monitor the progress in implementation of projects within the EC OP, and as a tool for programme management. This system is also intended for the Payment Authority and Certifying Authority (PAC) and other bodies of the implementation structure.

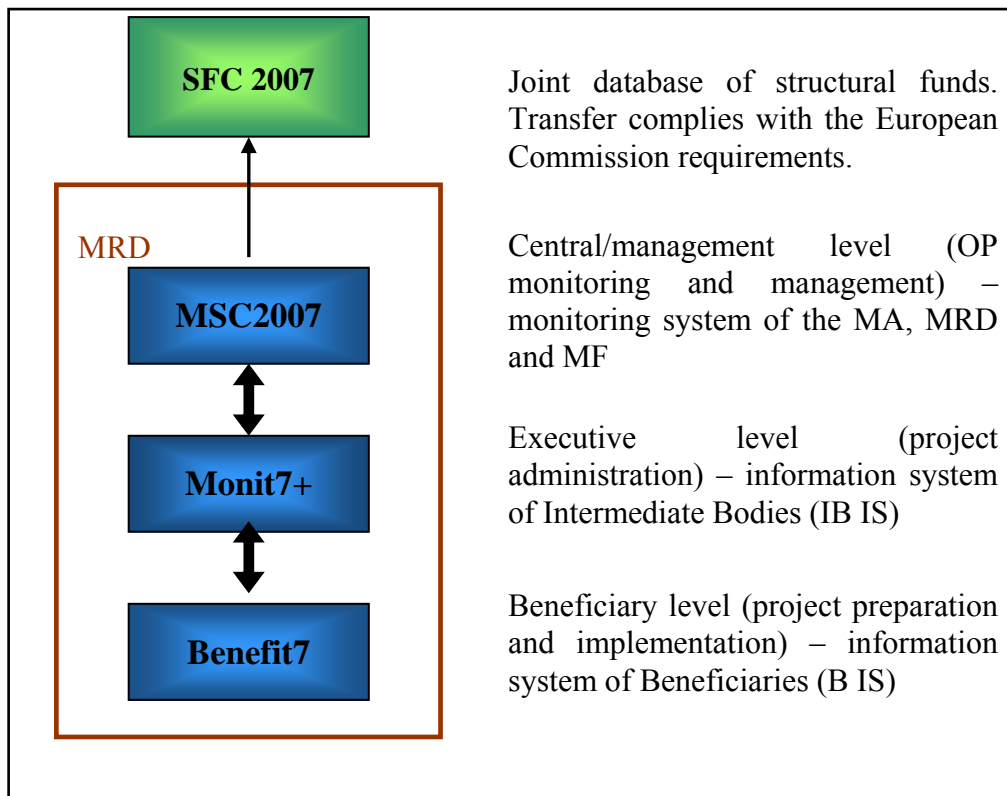
The information and technological design of the SF and CF monitoring system follows that used in the 2004-2006 programming period. Based on the hitherto experience gained during the implementation, the system has been modified and completed by relevant monitoring, management and evaluation tools.

The system shall ensure the monitoring of the following activities:

- utilization of resources from the relevant European funds;
- utilization of resources within national co-financing;
- monitoring, evaluation, and control activities;
- communication with the European Commission – SFC dbf, other dbf;
- provision of data for the Commission's standard monitoring table;
- monitoring of information at the level of the beneficiary;
- connections to the relevant systems of state and public administration;

- fulfilment of monitoring indicators (fulfilment of set objectives).

SF and CF monitoring system levels:



MSC2007

MSC2007 is operated using the technical facilities of the Ministry of Regional Development. The development, operation, maintenance and support of users is ensured by the Monitoring System Administration Department of the MRD (MSAD). The system ensures the central material and financial monitoring of programmes and projects, implementation of financial flows in accordance with the Methodology of Financial Flows, and an electronic exchange of data with sublevels of the information monitoring system, information systems of the Ministry of Finance (especially with the Viola accounting system) and the SFC2007 database of the European Commission.

Monit7+

The Monit7+ (IB IS) level of information system will be used for the programme management and project implementation. Besides the MA, the IB IS will be used by individual IB for information support of their activities. Administration of the relevant part of Monit7+ monitoring system shall be the responsibility of the Managing Authority. In addition, the Managing Authority shall provide current information on the programme and project status, i.e. it shall inform the National Coordinating Authority and the European Commission on individual implementation steps throughout the whole period of the programme and individual projects.

Benefit7

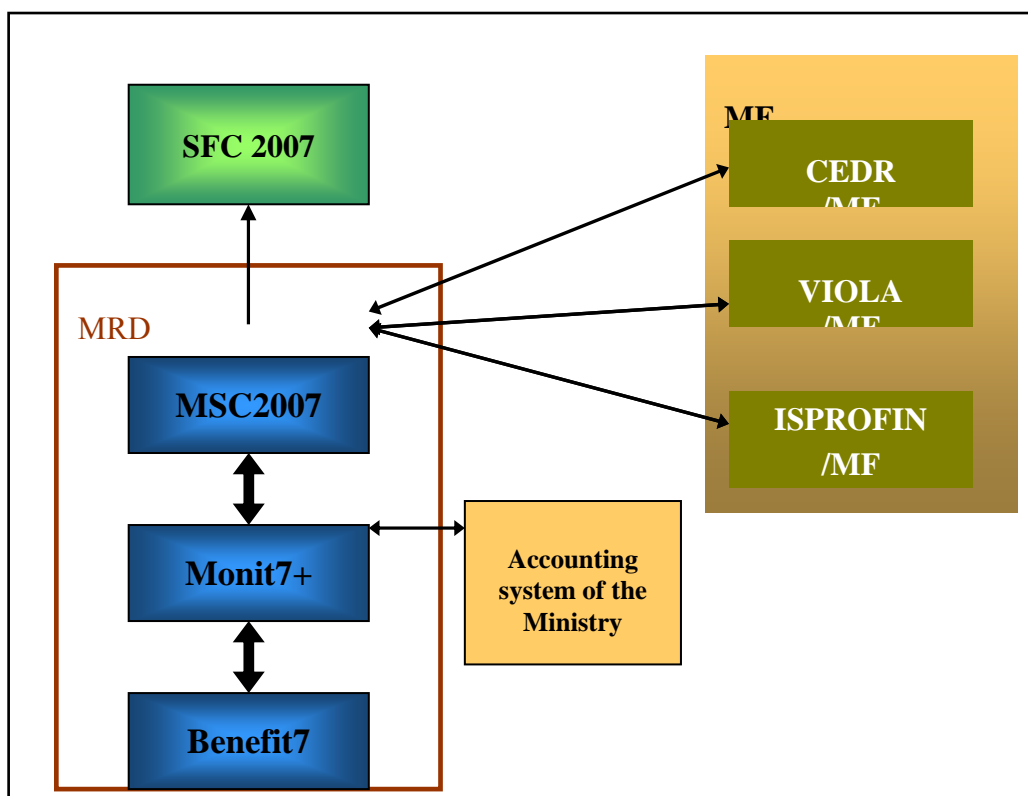
The Beneficiary IS (B IS) is designed to support executive functions of the Czech Republic SF and CF monitoring system implemented at the level of individual beneficiaries and to ensure all data communication between the MA/IB and beneficiaries using a grant request form to be available on websites (Benefit7). The B IS shall be operated as a web request, or a web account of the beneficiary. The joint web request for grants shall be operated in one common central place, i.e. the technical infrastructure of the MRD, and the latter shall administer and coordinate the transfers between the web request and the IB IS.

Users of all levels of the SF and CF monitoring system will have the systems accessible via the Internet. Data shall be transferred between all levels of the SF and CF monitoring system on regular basis.

MSC2007 link to external IS

For modifications of the MSC2007, it is necessary to pay consistent attention to safe links of the MSC2007 to other IS and to systems of the European Commission in order to maintain full functionality of data transfers and interfaces at all times. Besides other functions, the MSC2007 can be used for transferring. The data to be collected from individual OPs shall be provided to other (external) ISs. Conversely, it shall receive certain information from some information systems.

MSC2007 shall communicate with the following external systems:



The link of Monit7+ information system to the accounting system of the Ministry of Education, Youth and Sports (according to the Methodology of Financial Flows for the 2007-2013 programming period) is subject to the, "Feasibility Study of Selected Information Systems To Be

Interconnected Within MEY&S”, based on which the JASU accounting system will be connected to Monit7+. Security of the accounting system of the Ministry shall be ensured in accordance with MEY&S internal regulations that are under the responsibility of the Department of Information and Communication Technologies of the Ministry of Education, Youth and Sports.

Transition period

With the effective date of 1 January 2009, a uniform monitoring system (hereinafter referred to as “UMS”) (pursuant to the Czech Government Resolution No 198/2006) should start functioning. This system will be linked in terms of data and software and replace the existing three-level monitoring system. The UMS shall be put into test operation during 2008, and its full operation is planned for 1 January 2009. The Managing Authority shall be obliged to supply the data from existing levels of the monitoring system of structural funds in a corresponding structure, shape and within specified deadlines (to ensure the European Commission’s requirement for transferring all necessary information in a uniform format).

3. Evaluation

The EC OP evaluation shall be performed in accordance with the obligations stipulated in Articles 47 to 49 of Council Regulation (EC) No 1083/2006, in accordance with the methodological instructions of the European Commission, and in accordance with the methodological instructions of the National Coordinating Authority. Evaluation shall be the responsibility of the EC OP Managing Authority that will directly ensure the evaluation (implementation of transparent external evaluation is recommended).

The evaluations to be conducted shall be aimed at:

- increasing the quality and efficiency of co-financing granted from the Structural Funds and the Cohesion Fund, and its consistency with the objectives of the European Union and the Czech Republic;
- improving the strategy and enhancing the efficiency of implementation of the Operational Programme, i.e. improvement of outputs, results and impacts;
- investigating the specific structural issues of the Czech Republic and sustainable development in relation to the subject matter of the EC OP.

3.1 Evaluation duties

Evaluation duties of the EC OP shall, in particular, include the following:

- drawing-up, implementing, updating and evaluating of the evaluation plan (linked to the evaluation plan for the Czech Republic prepared by the National Coordinating Authority);
- ensuring all principal evaluations according to the specification given in the text below (ex-ante, ad-hoc, on-going, strategic evaluation);
- providing resources for evaluating and using the data and information from the monitoring system (according to specification for specific evaluation implemented by the National Coordinating Authority);

- active mutual co-operation with evaluators and evaluation team at national level (National Coordinating Authority), at various implementation levels of the Education for Competitiveness OP, and at various levels of implementation of Structural Funds and the Cohesion Fund in the Czech Republic;
- obligation to publish evaluation results.

3.2 Evaluation Plan

The first step to implementation of the evaluation is the drawing up of an evaluation plan. The evaluation plan shall be drawn up for the whole programming period; it shall be updated every year and broken down in detail for the nearest next calendar year. The evaluation plan shall contain the following:

- specification of the management structure responsible for evaluation;
- indicative timetable for the evaluation activities;
- planned financial resources;
- mechanism of potential evaluation plan revision.

The annual specification of the Operational Programme's evaluation plan should contain the following physical revisions:

- specification of contents of individual activities and their detailed breakdown at the project level;
- planned financial resources (with reserve for ad hoc evaluation, etc.);
- indicative (monthly) schedule of evaluation activities.

The EC OP evaluation plan, including related annual updates and evaluation of its fulfilment, shall be duly discussed by the Working Party for Evaluation of the EC OP and by the Working Party for Evaluation of the National Coordinating Authority, and approved by the EC OP Monitoring Committee.

3.3 Types of Evaluations

The following evaluations shall be conducted by the Managing Authority for the purposes of the EC OP:

- ex-ante evaluation;
- on-going evaluation;
- ad-hoc evaluation;

Besides the stated activities, the parts of the EC OP shall be evaluated within the evaluations conducted by the National Coordinating Authority (in accordance with the National Coordinating Authority's evaluation plan) and the European Commission (in accordance with the evaluation plan of the European Commission and in accordance with Article 47 of Council Regulation (EC)

No 1083/2006). The EC OP shall provide full co-ordination in the implementation of such evaluations.

Ex-ante Evaluation

Ex-ante evaluation shall be implemented according to Article 47 of Council Regulation (EC) No 1083/2006 for the purpose of improving the Operational Programme being prepared. The aim of this evaluation is to optimise the manner in which the EC OP resources are used and to improve the overall quality of the programming. Within the scope of ex-ante evaluation, the following shall be identified and evaluated:

Generally, the objective has the following aspects:

- evaluation of whether the Operational Programme is a suitable means to solve the problems that the sector faces and whether it is a step forward in the sense of “qualitative” change to the socio-economic situation in the Czech Republic and its regions;
- evaluation of whether the plan or programme has well-defined, consistent and balanced strategic axis, priorities and objectives, whether it reflects a qualified opinion as to whether the objectives are relevant and their achievement is realistic, whether it contributes to meeting the objectives of the Economic and Social Cohesion Policy, and whether it is in accordance with national policy objectives of the Czech Republic;
- contribution to quantification of objectives and creation of a basis for monitoring and future evaluation activities;
- assessment of potential impacts of the programme on the socio-economic environment of the Czech Republic in a broader context;
- preliminary evaluation should analyse the adequacy of the implementation and monitoring system and facilitate the preparation of procedures and criteria for the selection of projects;
- support in the process of negotiations with the Commission regarding the final form of the EC OP;
- processing of auxiliary inputs – partial analyses, studies and sets of proposals and recommendations for the intention of the EC OP.

On-going Evaluation

On-going evaluation activities represent the planned framework for evaluation of the EC OP. All evaluations to be implemented according to the plan shall be made within this group. Generally, activities focusing on implementation elements and elements of a conceptual nature connected with the intention of the Operational Programme can be included into the area of on-going evaluation.

Individual areas of on-going evaluation activities shall be stated in the evaluation plan, including a specification of related indicative financial ranges.

The ensuring of evaluations of a strategic nature in 2009 and 2012 shall form a part of the category of on-going evaluations. The aim of these strategic evaluations is to ensure underlying

documents for the National Coordinating Authority to meet the conditions of strategic reporting in accordance with Article 29 of Council Regulation (EC) No 1083/2006.

Ad-hoc Evaluation

Ad-hoc evaluation activities shall be carried out on the basis of needs that arise during implementation of the EC OP. These are studies implemented beyond the planned framework specified by the EC OP evaluation plan; a separate item within the evaluation plan necessary for reservation of allocated resources shall be created only for ad-hoc evaluations.

Ad-hoc evaluations shall be implemented in accordance with the valid methodology set forth for evaluation at the national level and at the European Union levels. The possible reserved financial resources for ad-hoc evaluations, including an indicative list of areas and intentions, shall be specified within the evaluation plan.

3.4 Managing Authority

The EC OP Managing Authority shall be responsible for due and efficient evaluations. The individual component tasks shall be as follows:

- processing the specifications for selection of external contractor;
- awarding tenders for implementation of evaluation projects;
- creating optimal conditions for implementation of evaluation projects, their coordination using expert groups;
- evaluating the fulfilment of the evaluation plan;
- submitting the results of fulfilment of the evaluation plan to the Monitoring Committee and the Monitoring Committee of NPR/NSRF (through the NSRF evaluation unit);
- developing the evaluation capacity for the Operational Programme;
- presenting the results of evaluation activities to entities with decision-making powers in the implementation of aid from the EC OP in time;
- wide publicity of results of the evaluation activities, and spreading the experience obtained by evaluation;
- commenting on materials submitted within the co-operation with other evaluation workplaces, including NSRF.

3.5 Working Group for Evaluation of the Education for Competitiveness OP

The role of the consulting and coordinating authority for the general evaluation activities of the Operational Programme, such as drawing up of the evaluation plan, evaluation capacity development activities, and the use of results of evaluations and their submission to the Monitoring Committee of the Operational Programme shall be fulfilled by the Working Group for evaluation of the Operational Programme.

The Managing Authority shall appoint members of the Working Group. The members of the Working Group shall be the representatives of the following units:

- Managing Authority;
- Intermediate Body;
- National Coordinating Authority.

The Working Group for Evaluation of the EC OP shall discuss the following:

- preparation of evaluation plan;
- evaluation plan updates for the next year;
- progress in implementation of the plan;
- development of evaluation capacity;
- evaluation of fulfilment of the plan;
- draft reports for the EC OP Monitoring Committee.

4. System of Financial Control

The Ministry of Finance, as the central administrative authority for financial control in accordance with the relevant provisions of Act No 2/1969 Coll., on the establishment of ministries and other central authorities of state administration of the Czech Republic, as amended, shall methodically manage, coordinate and ensure the financial control under the Operational Programme. The basic starting point for the issuing of component methodological guidelines, consulted with the competent bodies of the European Commission, shall be the current Czech and Community legislation in force.

In the control system, the internal control system and the system for control in public administration shall clearly be separated from the internal audit system and audit in public administration.

The financial control system shall include:

1. control in public administration performed as a part of financial management;
2. audit in public administration;
3. internal control system, and
4. central harmonization of the systems specified in points 1-3.

4.1 Controls in Public Administration (primary system)

The Managing Authority shall be responsible for the management and implementation of the Operational Programme in accordance with the principle of due financial management. Therefore, it shall ensure that operations are selected for financing in accordance with the criteria for the Operational Programme and that they comply with the relevant Community and national regulations throughout the implementation period. The Managing Authority shall be responsible for checking the physical implementation by verifying the delivery of co-financed products and services and actual expenditure on operations as reported by the beneficiaries. The Managing Authority shall be responsible for the existence of a system to register and store accounting records in electronic form for each operation and for the collection of data required for auditing. The Managing Authority's task is also to ensure that the procedures and all documents concerning expenditure and audits of the Operational Programme are available to the European Commission and the Court of Auditors for a period of three years from the conclusion of the Operational Programme.

For this purpose, the MA shall perform administrative verification in connection with each request for payment and on-site controls of individual operations. The above-mentioned controls may be performed on the basis of a selected set of operations in accordance with the binding EC regulations.

4.2 Audit in public administration (secondary and central systems)

Auditing in public administration at all levels of implementation of Operational Programme financial resources in accordance with Act No 320/2001 Coll., on financial control in public administration and amending certain laws, as amended, and in accordance with directly applicable Community regulations, shall be the responsibility of the Audit Authority (AB). Within the secondary system, it shall verify the effectiveness of the financial management and control system, and subsequently test the appropriateness of risk transactions in accordance with the acceptable risk level for the area of the primary system. Within the central system, the AB shall verify and evaluate the adequacy and effectiveness of functioning of the primary and the secondary system, and perform an audit on operation samples based on residual risk.

The AB shall be responsible for ensuring the above-mentioned activities, and may delegate selected activities to other audit entities; however, its responsibility for them shall remain untouched. If the responsibility is delegated to the MEY&S, the function of the audit entity shall be performed by the Internal Audit and Control Department of MEY&S. The 'audit entity' shall mean an entity commissioned by the Audit Authority to ensure the activities according to Article 62 paragraph 1 (a) or (b) or both (a) and (b) of Council Regulation (EC) No 1083/2006 and Article 61 paragraph 1 (a) or (b) or both (a) and (b) of Council Regulation (EC) No 1198/2006.

4.3 Internal Control System

All bodies taking part in the implementation of the Operational Programme shall have the necessary management and control system in place, which will be in accordance with the national legislation and able to identify any administrative, systematic or intentional mistakes in a timely manner and create conditions to prevent the occurrence of mistakes.

Managing Control

The managing control shall be ensured by responsible managers and form a part of the internal management of all entities involved in the implementation of the Operational Programme, in the preparation of operations before they are approved, in the on-going monitoring of executed operations until their final settlement and accounting, and subsequent verification of selected operations within the evaluation of the achieved results and correctness of the financial management.

Taking into consideration the principles of an effective and efficient management and control system during the implementation of the programme, it shall be ensured that:

- a) all entities involved in the management and control of the programme have clearly set specific functions, both within the whole implementation system and within each entity separately;
- b) the principle of the separation of payment, management and control functions between the individual entities involved in the implementation of the programme and within the entities themselves is respected;
- c) clear procedures are set to ensure the correctness and eligibility of expenditure reported within the programme;
- d) reliable accounting systems, monitoring systems and financial reporting systems are established;
- e) a system is established for submitting the reports on implementation of the programme and projects and on monitoring;
- f) measures are adopted to audit the functioning of management and the control system;
- g) systems and procedures are established to provide the documentation required for auditing (an audit trail);
- h) procedures are set for reporting and monitoring irregularities and for the recovery of amounts paid without authorization;
- i) the system of double independent control and double signature upon approval of individual documents and making of payments is observed consistently;
- j) information systems can be used safely;
- k) any potential conflict of interest is prevented consistently;
- l) the employees are substitutable in all functions.

For each level of programme management and implementation, an internal control system manual shall be drawn up in form of controlled documentation, which will contain a detailed description of workflow procedures for the activities to be carried out.

If the persons ensuring on-going and subsequent control detect, during their performance, any uneconomic, ineffective or inexpedient spending of resources from the EU budget being in conflict with legislation, they shall report such a finding in writing to the head of the relevant institution, MA and AB. The head of the relevant institution shall be obliged to take measures to remedy any detected deficiencies, and measures to ensure due performance of such control.

Internal Audit

The Internal Audit Department shall be functionally independent and organisationally separate from the managing and executive structures, and subordinate to the competent head of the public administration authority.

The internal audit shall be established at individual implementation levels in accordance with Act No 320/2001 Coll., on financial control in public administration.

Internal Audit Departments shall check the internal control system at regular intervals. Their activities will include examinations of the fulfilment of basic requirements for the internal control system. A significant element shall also be the presentation of recommendations to improve the quality of the internal control system, to prevent or reduce risks, to adopt measures to rectify ascertained deficiencies, and consulting.

Reports of internal audits regularly conducted at individual levels of implementation shall be presented to the competent head of the public administration authority. Reports of internal audits at the level of Intermediate Bodies shall be presented to the Internal Audit Department at the Managing Authority level. A uniform approach to auditing at all levels of implementation and the reporting of audit findings shall be the basis for risk management at the level of the Managing Authority.

4.4 Controls by the Supreme Audit Office

The Supreme Audit Office is authorized to carry out independent inspections in accordance with the relevant provisions of Act No 166/1993 Coll., on the Supreme Audit Office, as amended.

4.5 Auditing Carried Out by Bodies of the European Commission and the European Court of Auditors

The European Commission will make sure, in accordance with Article 72 paragraph 1 of Council Regulation (EC) No 1083/2006, that management and control systems have been established and work efficiently within the given Operational Programme. This audit will be conducted by the European Commission based on annual inspection reports, the annual standpoint of the AB, and its own audits.

The European Anti-Fraud Office (OLAF) conducts on-site controls to protect financial interests of the European Union, to fight fraud, corruption and several other illegal activities.

The European Court of Auditors, which is competent to conduct autonomous, independent checks within the scope of its activities.

5. Irregularities

All bodies involved in the implementation of the Operational Programme are obliged to report any suspicions of irregularities to the MA. The MA shall investigate these suspicions, and those that are legitimate, on the basis of control findings, shall be passed on to the materially competent authorities for the commencement of administrative or judicial procedure. The reports of inspection bodies shall always be considered as justified.

At the same time, the MA shall report confirmed irregularities and the progress of their investigation to the Payment Authority and Certifying Authority, Central Harmonization Unit for Financial Audit and the respective individual of the AFCOS network. In addition, the MA shall send a quarterly report on irregularities found to the Payment Authority and Certifying Authority, Central Harmonization Unit for Financial Audit and the respective individual of the AFCOS network by the fifteenth day of the following month.

6. Financial Flows

The resources provided by the European Commission to finance the European Social Fund programmes are administered by the Ministry of Finance. The European Commission shall send these resources to the account of the Payment Authority and Certifying Authority.

Financial flows of the EC OP shall be ensured via the national budget of the Czech Republic. The resources shall be pre-financed to beneficiaries, based on their submitted applications, from the national budget, and a non-returnable financial relief (subsidy) will be provided to them. Beneficiaries' applications shall be submitted solely in CZK. After the summary application is received, the Payment Authority and Certifying Authority shall release the resources from the European Social Fund to the national budget heading that provided for pre-financing of the resources.

Payments to beneficiaries shall be made in form of ex-post payments (reimbursement to beneficiaries of expenditure already made) or in form of ex-ante payments (i.e. in form of an advance payment made in favour of the beneficiary from the national budget for the implementation of the project). Decisions on the form of aid payments made to beneficiaries under individual operations of the EC OP shall fully be in the competence of the relevant administrator of the budget heading.

The mechanism of the entire financial flow system can be characterized as follows:

1. Based on expenditure reported, the beneficiary shall issue an application for reimbursement from the national budget (corresponding to the European and the national share); the application shall be presented to the Managing Authority or to the Intermediate Body for review and approval;
2. The Managing Authority shall approve the beneficiary's application and instruct the financial department to make the payment to the beneficiary's account;
3. The financial department of the relevant budget heading shall make the payment from the national budget to the beneficiary's account;
4. The Managing Authority, based on payments from the national budget, shall issue a summary application for the payment of ESF resources from the PAC account to the relevant national budget heading;

5. The PAC shall review the submitted summary application, make its clearance (the decisive date for determining the exchange rate for the conversion of funds from CZK to EUR is the date of clearance by the PAC) and subsequent payment of the resources from the European Social Fund to the relevant national budget heading;
6. After certification, the PAC shall request the European Commission for the replenishment of financial resources to its account;
7. The European Commission shall approve the application and send the resources to the PAC's account.

7. Information and Publicity

In accordance with Article 69 of Council Regulation (EC) No 1083/2006, the EC OP Managing Authority shall assume the responsibility for publicity, i.e. in accordance with the implementation rules as laid down in Articles 2 to 11 of Council Regulation (EC) No 1828/2006. In the area of publicity it shall proceed as follows:

- Within four months of approval of the EC OP, the Managing Authority will prepare and submit to the Monitoring Committee and the European Commission for approval a Communication Plan (CoP) for the given programming period or a specification of the Communication Plan for individual years, including the related methodology to ensure publicity and public awareness (will be part of the CoP).
- In accordance with Article 3 of Council Regulation (EC) No 1828/2006, progress in implementation of the Communication Plan will be reported in the EC OP Annual Report, which will be submitted and approved by the Monitoring Committee and the European Commission;
- Fulfilment, efficiency, objectivity, effectiveness and relevance of the Communication Plan of the Operational Programme will be evaluated (external interim evaluation);
- The results of evaluation will be indicated in accordance with Article 3 paragraph 2 of Council Regulation (EC) No 1828/2006 in the Annual Report for 2010 and in the EC OP Final Report, which will be submitted for information to the Monitoring Committee and the European Commission (results of the evaluation will not be approved by the Monitoring Committee and the European Commission, but they will be submitted for information purposes only in accordance with the rules of evaluation).

Publicity and public awareness tasks are transmitted to the following levels within the scope of the EC OP:

- Managing Authority;
- Intermediate Body;
- Beneficiaries.

Managing Authority

The Managing Authority is responsible for conducting the communication, including the related creation and fulfilment of the Communication Plan. Within the scope of the EC OP Managing

Authority, the contact person responsible for carrying out the communication, informative and promotional measures of the Operational Programme is the information officer whose main functions will include the following:

- Preparation and coordination of communication strategy;
- Application of measures resulting from Council Regulation (EC) No 1083/2006 and No 1828/2006;
- To act as a contact person for the National Coordinating Authority, Intermediate Body and beneficiaries at the EC OP level;
- To act as a contact person for media at the EC OP level;
- Ensuring the transparency of performed information and publicity measures in co-operation with other entities involved in implementation of the Operational Programme;
- Creation of a uniform visual form of the information and publicity measures relating to aid from the EC OP;
- Implementation of information and publicity measures at central level;
- Ensuring the support and aid to entities implementing the information and publicity measures of the EC OP at lower level;
- Preparation of Annual and Final Reports on the implementation of information and publicity measures to be submitted to the EC OP Monitoring Committee and other relevant documents;
- Keeping the EC OP Monitoring Committee, the National Coordinating Authority and the European Commission informed on the implementation of information and publicity measures;
- Informing the EC OP Monitoring Committee on the activity and results of meetings;
- Evaluation of implemented information and publicity measures;
- Ensuring the effective distribution of financial resources intended for the implementation of information and publicity measures.

Implementation of communication measures at the programme level will be paid for from the technical assistance resources of the EC OP. Implementation of communication measures at the project level will be paid for from resources of the project itself.

In accordance with Articles 4 and 5 of Council Regulation (EC) No 1828/2006, the Managing Authority is obliged to ensure public awareness and publicity for the potential beneficiaries in the following areas:

- Conditions for the beneficiary to obtain resources from the OP while respecting the principle of equal opportunities;
- Description of procedures for selection of projects, including the set dates and periods;

- Selection criteria and evaluation of funded operations;
- Contacts at national, regional or local levels, where the applicants/potential applicants may obtain information about the EC OP.

In accordance with Articles 6 and 7 of Council Regulation (EC) No 1828/2006, the Managing Authority is obliged to ensure information and publicity for the wider public as follows:

- It shall inform of the main activities and launch of the Operational Programme (even in the absence of the approved Communication Plan);
- It shall inform of results of the EC OP, including the main projects (once a year as a minimum);
- It shall publish a list of beneficiaries, names of operations and amounts allocated for individual operations (in this activity it shall also follow Council Regulation (EC) No 45/2001).

Intermediate Body

The Intermediate Body is entrusted by the Managing Authority with the implementation of information and publicity measures at the level of individual EC OP areas of intervention falling under its competence. Depending on the nature of the area of intervention, the Intermediate Body may implement them either by itself or in mutual co-operation, or in co-operation with the Managing Authority. The information and publicity measures implemented by the Intermediate Body shall be specified in contracts on delegation of activities and powers or in other methodical documents of the Operational Programme.

The Intermediate Body is obliged to appoint a responsible contact person to co-operate with the EC OP Managing Authority during the implementation of information and publicity measures.

Beneficiaries

The beneficiaries shall ensure information and publicity elements in accordance with Articles 8 and 9 of Council Regulation (EC) No 1828/2006. They shall be implemented under the conditions specified below:

- The beneficiaries shall follow the methodological instructions to ensure information and publicity at individual levels of the Operational Programme;
- The beneficiaries of resources within the scope of global grants shall ensure the implementation of information and publicity measures at the project level in accordance with the methodology.

As part of the joint strategy for public awareness of the ESF in the Czech Republic, in future the ESF logo and the central websites of the ESF in the Czech Republic www.esfcr.cz will also be used.

8. Financial Conditions of the Education for Competitiveness OP

The system of financial flows is described in detail in the Methodology of Financial Flows and Control of Programmes Co-financed from Structural Funds, the Cohesion Fund and the European

Fisheries Fund for the 2007-2013 Programming Period, as published by the Ministry of Finance. The Ministry of Finance shall manage the resources provided by the European Commission for funding the programmes under the Structural Funds and Cohesion Fund.

The European Commission shall send resources from the Structural Funds and the Cohesion Fund to the account of the Payment Authority and Certifying Authority. Within the Payment Authority and Certifying Authority, the financial resources from the Structural Funds and the Cohesion Fund shall methodically be controlled by the Unit of Methodology of Financial Management and Payments, which will also make transfers of resources from the Structural Funds and the Cohesion Fund to the national budget (individual national budget headings). Beneficiaries' applications shall be submitted solely in CZK. After the summary application is received, the Payment Authority and Certifying Authority shall release the resources from the Structural Funds and Cohesion Fund to the national budget heading that provided for pre-financing the resources from the Structural Funds and Cohesion Fund.

8.1 System of SF/CF financial flows:

Payments to beneficiaries shall be made in form of ex-post payments (the reimbursement to beneficiaries of expenditure already made) or in form of ex-ante payments. Decisions on the form of payments to be made to the beneficiaries of aid under individual Operational Programmes shall fully be within the competence of the relevant administrator of the budget heading.

1. Based on expenditure incurred²⁵, the beneficiary shall issue an application for reimbursement from the national budget (corresponding to the European and the national share); the application shall be presented to the Managing Authority or the Intermediate Body for review and approval;
2. The Managing Authority shall approve the beneficiary's application and instruct the financial department to make the payment to the beneficiary's account;
3. The financial department of the relevant budget heading shall make the payment from the national budget to the beneficiary's account;
4. The Managing Authority, based on payments made from the national budget, shall issue a summary application for the payment of resources from Structural Funds and the Cohesion Fund from the PAC account to the relevant national budget heading;
5. The PAC shall review the submitted summary application, make its clearance (the decisive date for determining the exchange rate for the conversion of funds from CZK to EUR is the date of clearance by the PAC) and subsequent payment of the resources from the Structural Funds and the Cohesion Fund to the relevant national budget heading;
6. After certification, the PAC shall request the European Commission for the replenishment of financial resources to its account;

²⁵ In cases where beneficiaries receive ex-ante payments, the beneficiary shall present an overview of incurred expenditure from provided national budget resources as part of its application for reimbursement from the national budget resources.

The European Commission shall approve the application and send the resources to the PAC's account.

The EC OP financial plan shall be based on the financial plan of allocation for the Czech Republic under the Convergence and Regional Competitiveness and Employment Objectives in the 2007-2013 programming period, and reflect the financial framework of NSRF, which determines the distribution of resources from Structural Funds and the Cohesion Fund to individual Operational Programmes. Within the framework of the general financial plan, 7% of the resources for the Convergence Objective from EU Structural Funds, i.e. € 1.8118 billion, have been allocated to the EC OP. The implementation of the EC OP will be supported from the ESF.

The Education for Competitiveness Operational Programme meets the “mono-fund” requirement and is financed from the European Social Fund. Minor investments into infrastructure to be necessary for the implementation of individual EC OP operations will be financed by means of a 10% flexibility instrument in accordance with Article 34 (2) of the General Regulation.

Indicative distribution of financial resources into individual priorities of the programme shall be in compliance with:

- experience from the current programming period;
- estimation of absorption capacity of individual priorities.

No large projects, i.e. projects over EUR 50 million, will be implemented within the Education for Competitiveness Operational Programme.

The co-financing rate from the ESF will reach up to 85% of the total eligible public expenditure; the remaining 15% of the financial resources will be paid from national resources. The financial source to cover the indicated part of the co-financing will be, in particular, the budgetary heading of the MEY&S, including global grants for regions.

Detailed financial planning of the EC OP is specified in the following tables:

1. Table 19: EC OP Financial Table by Year and Funds (in €);
2. Table 20: Indicative Financial Table for EC OP by Priority Axis;

8.2 Calculaton of the proportion of the Regional Competitiveness Objective (pro-rata)

Due to the fact that the programme is also intended for financing national activities covering the whole territory of the Czech Republic (i.e. the Convergence Objective and the Regional Competitiveness and Employment objective) and are indivisible in terms of their impact on geographical objectives, an adequate pro-rata contribution from both the objectives concerned needs to be set for these interventions so that the principle of Article 22 of Council Regulation No 1083/2006 can be met. Due to the fact that these national system interventions will have an identical impact on the whole of the Czech Republic and that the region is the basic administration unit of the Czech Republic with respect to competencies in the area of school system and education in general, the number of regions has been selected as the decisive parameter.

In order to determine the ratio of allocations for the Convergence and the Regional Competitiveness and Employment Objectives in the EC OP implementation, a formula has been fixed (pro-rata), and this ratio can be used for financing all activities (projects) selected for implementation in priority axes 4a and 4b and activities (projects) implemented by the MEY&S acting as the MA for priority axes 5a and 5b. The pro-rata value is a 1/14 representing the proportion of Prague in the number of all regions of the Czech Republic and will be taken into account when implementing the priority axes 4a / 4b and 5a / 5b.

The principal reason is that the region represents a key institution in the Czech Republic in terms of (a) concept and policies in the area of education, and (b) their implementation. This is a simple and transparent calculation method based on the role and responsibilities of regions in the area of education:

- pursuant to § 8 of Act No 248/2000 Coll., on support of regional development, as amended, the regions shall ensure the development of their territories;
- pursuant to § 1 of Act No 129/2000 Coll., on regions (Regional Establishment), as amended, the regions shall take care of the general development of their territories and needs of their citizens;
- regions are establishers of the secondary and tertiary professional schools, while towns and villages are establishers of primary schools, e.g. the proportion of regions in the number of primary schools most frequently equals 6 – 7 %.

For a financial expression of the proportion of both objectives refer to Table 20 showing the proportion of priority axes 4a (Convergence) and 4b (Regional Competitiveness and Employment).

The pro-rata calculation may be modified after the agreement between Managing Authority and EC. The principle of untransferable financial resources in accordance with Article 22 (1083/2006) must be respected.

8.3 Public financial support

MA will ensure that providing state aid in the framework of EC OP will be in accordance with procedural and factual state aid principles which are valid in the moment of providing relevant state aid.

Table 19: EC OP Financial Table by Year and Funds (in €)

	ESF Convergence Objective	ESF Competitiveness Objective	Total
	1	2	3=1+2
2007	224,801,428	2,269,083	227,070,511
2008	235,859,105	2,314,466	238,173,571
2009	246,965,120	2,360,754	249,325,874
2010	258,590,464	2,407,969	260,998,433
2011	270,221,113	2,456,130	272,677,243
2012	281,809,486	2,505,251	284,314,737
2013	293,599,056	2,555,356	296,154,412
Total 2007- 2013	1,811,845,772	16, 869,009	1,828,714,781

Table 21: Overview of Community Contribution Distribution by Categories under OP

Priority axes No	Priority axis name	Fund/rate of co-financing related to	Community Contribution	National resources	Indicatory split of national resources		Total resources	Rate of co-financing	For information	
					National public resources	National private resources			EIB contribution	Financing from other resources
					a	b(=c+d)				
1	Initial education	ESF/public/Convergence	612,077,738	108,013,719	108,013,719		720,091,457	85%	0	0
2	Tertiary education, research and development	ESF/public/Convergence	626,536,268	110,565,224	110,565,224		737,101,492	85%	0	0
3	Further education	ESF/public/Convergence	289,895,324	51,157,998	51,157,998		341,053,322	85%	0	0
4a	System framework of lifelong learning (Convergence)	ESF/public/Convergence	210,862,611	37,211,049	37,211,049		248,073,660	85%	0	0
4b	System framework of lifelong learning (RCE)	ESF/public/RCE	16,220,201	2,862,388	2,862,388		19,082,589	85%	0	0
5a	Technical assistance (Convergence)	ESF/public/Convergence	72,473,831	12,789,500	12,789,500		85,263,331	85%	0	0
5b	Technical assistance (RCE)	ESF/public/RCE	648,808	114,496	114,496		763,304	85%	0	0
Total			1,828,714,781	322,714,374	322,714,374		2,151,429,155	85%	0	0
Out of which: Convergence Objective			1,811,845,772	319,737,490	319,737,490		2,131,583,262	85.0%	0	0
Regional Competitiveness and Employment Objective			16,869,009	2,976,884	2,976,884		19,845,893	85.0%	0	0

Table 21: Overview of Community Contribution Distribution by categories under OP

Theme 1 Priority theme		Theme 2 Form of financing		Theme 3 Territory	
Code	Sum **	Code	Sum **	Code	Sum **
62	164,584,332	1	1,828,714,781	1	1,280,100,349
72	1,098,352,050			5	548,614,432
73	54,861,443				
74	298,811,994				
81	157,269,472				
85	43,863,201				
86	10,972,289				

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**Estimated amount of the Community contribution per each category

Annex 1 – Abbreviations Used

CERA	Czech Education and Research Agency
CF	Cohesion Fund
EC	European Commission
CR	Czech Republic
CSG	Community Strategic Guidelines
CZSO	Czech Statistical Office
E OP	Environment Operational Programme
E&I OP	Enterprise and Innovation Operational Programme
EAFRD	European Agriculture Fund fro Rural Development
EC OP	Education for Competitiveness Operational Programme
EC	European Communities
EFF	European Fisheries Fund
EIB	European Investment Bank
ERDF	European Regional Development Fund
ESC	Economic and Social Cohesion
ESF	European Social Fund
EU	European Union
EUR	Euro
GDP	Gross Domestic Product
GG	Global Grants
HR&E OP	Human Resources and Employment Operational Programme
HRD OP	Human Resource Development Operational Programme
HRDS	Human Resource Development Strategy for the Czech Republic
IB	Intermediate Body
ICT	Information and Communication Technology
IIE	Institute for Information and Education
IS	Information system
ISCED	International Standard Classification of Education
IT	Information technology
MA	Managing Authority
MC	Monitoring Committee
ME	Ministry of the Environment
MEY&S	Ministry of Education, Youth and Sports
MF	Ministry of Finance
MRD	Ministry of Regional Development
NCA	National Coordinating Authority
NDP	National Development Plan 2007-2013 of the Czech Republic
NITVE	National Institute of Technical and Vocational Education
NGO	Non-governmental Not-for-profit Organisation

NOET	National Observatory of Employment and Training
NP	National Project
NRP	Czech National Reform Programme (National Lisbon Programme 2005-2008)
NSRF	Czech Republic National Strategic Reference Framework 2007-2013
NTF	National Training Fund
NUTS	Nomenclature of Territorial Units for Statistics
OECD	Organisation for Economic Cooperation and Development
OP	Operational Programme
PA OP	Prague Adaptability Operational Programme
PA	Paying Authority
PAC	Paying Authority and Certifying Authority
R&DI OP	Research and Development for Innovation Operational Programme
R&D	Research and development
SF	Structural Funds
SFP	School Framework Programme
SME	Small and Medium-sized Enterprises

Annex 2 – Evaluation of Experience from the Previous Programming Period**Table 22: Numbers of Submitted and Approved Projects by Individual HRD OP Measure**

No	SP/NP Measure	Number of announced calls for 2004 and 2005	Number of submitted applications	Number of approved projects	Number of projects with a concluded contract
1.1	Strengthening the active employment policy	9	22	17	15
1.2	Modernisation of public employment services	1	3	-	-
2.1	Integration of specific population groups threatened by social exclusion	3	189	18	18
2.2	Equal opportunities for men and women in the labour market	-	-	-	-
3.1	Improvement of education quality at schools and educational institutes and development of support systems in education	1	14	12	11
3.2	Support of tertiary education, research and development	-	-	-	-
3.3	Development of further vocational education	3	5	0	-
4.1	Increase in adaptability of employers and employees to changes in economic and technological conditions, support of competitiveness	13	1	-	-
4.2	Specific education	1	5	4	4
5.1	Support of management, implementation, monitoring and control of HRD OP	1	31	30	30
5.2	Other eligible activities	1	34	31	31
GRANT SCHEMES					
1.1	Strengthening the active employment policy	29	661	170	110
2.1	Integration of specific population groups threatened by social exclusion	5	385	87	81
2.2	Equal opportunities for men and women in the labour market	1	75	27	27
2.3	Strengthening the capacity of social service providers	2	465	105	105
3.1	Improvement of education quality at schools and educational institutes and development of support systems in education	1	248	90	89
3.2	Support of tertiary education and R&D	2	343	54	454

No	SP/NP Measure	Number of announced calls for 2004 and 2005	Number of submitted applications	Number of approved projects	Number of projects with a concluded contract
3.3	Development of further vocational education	21	612	113	76
4.1	Increase in adaptability of employers and employees to changes in economic and technological conditions, support of competitiveness	29	921	250	128
4.2	Specific education	4	235	91	91
Total for HRD OP			4,078	1,099	870

Source: Detailed monthly information on trend in drawdown of resources from EU Structural Funds, RPS 2005

Table 23: Overview of Drawdown of Financial Resources from HRD OP by Measure – System and National Projects

(Sub)measure SP/NP		Allocated amount of resources for 2004-2006 (in CZK mill.)	Total amount of required resources for measure based on accepted project applications (in CZK mill.)	Amount of resources from allocation for 2004-2006 approved projects/grant projects (in CZK mill.)	Resources from 2004-2006 allocation covered by contract (in CZK mill.)	Expenditure made from 2004-2006 allocation (in CZK mill.)	Resources drawn from 2004-2006 allocation (in CZK mill.)
No	Name						
1.1	Strengthening the active employment policy	2,742.8	1,124.1	890.7	1,023.9	15.0	5.1
1.2	Modernisation of public employment services	536.4	79.7	-	-	-	-
2.1	Integration of specific population groups threatened by social exclusion	1,021.3	340.3	340.3	761.0	5.9	3.9
3.1	Improvement of education quality at schools and school facilities and development of support systems in education	1,750.7	713.3	640.6	844.9	129.4	104.6
3.3	Development of further vocational education	1,108.8	423.2	0.0	160.5	3.2	2.0
4.1	Increase in adaptability of employers and employees to changes in economic and technological conditions, support of competitiveness	933.7	23.2	-	290.1	4.3	3.7
4.2	Specific education	680.8	134.7	114.8	328.8	8.7	3.1
5.1	Support of management, implementation, monitoring and control of HRD OP operations	219.8	150.4	107.8	109.8	9.7	8.3
5.2	Other eligible activities	266.5	189.7	143.9	145.2	19.2	19.2

Source: Detailed monthly information on trend in drawdown of resources from EU Structural Funds, RPS 2005

Table 24: Overview of Drawdown of Financial Resources from HRD OP by Measure – Grant Schemes

1.1	Strengthening the active employment policy	2,742.8	2,412.0	562.2	The contract amounts are included in the measure above	Expenditure included in the measure above	-
2.1	Integration of specific population groups threatened by social exclusion	1,021.3	1,838.0	521.2	The contract amounts are included in the measure above	Expenditure included in the measure above	-
2.2	Equal opportunities for men and women on the labour market	243.2	410.80	139.3	127.1	-	-
2.3	Strengthening the capacity of social service providers	101.9	226.1	66.0	64.6	3.6	2.3
3.1	Improvement of education quality at schools and educational institutes and development of support systems in education	1,750.7	860.4	346.4	The contract amounts are included in the measure above	Expenditure included in the measure above	-
3.2	Support of tertiary education, research and development	583.6	1,307.0	214.4	192.1	1.6	1.6
3.3	Development of further vocational education	1,108.8	1,392.9	267.0	The contract amounts are included in the measure above	Expenditure included in the measure above	-
4.1	Increase in adaptability of employers and employees to changes in economic and technological conditions, support of competitiveness	1,108.8	1,392.9	267.0	The contract amounts are included in the measure above	Expenditure included in the measure above	-
4.2	Specific education	933.7	2,314.1	557.3	The contract amounts are included in the measure above	-	-
Total for HRD OP		10,189.5	14,815.2	5,074.3	4,048.0	161.03	153.8

Source: Detailed monthly information on trend in drawdown of resources from EU Structural Funds, RPS, status as at 31 2006

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Annex 4 – Explanation of Terms Used

The aim of this overview is not to create explicit definitions of terms (a number of terms do not have a single generally accepted definition), but to explain their content in the context of the Education for Competitiveness OP. The terms have been divided into thematic blocks solely for ease of orientation.

Area of education:

Lifelong learning	The term is used in the sense of the Memorandum on Lifelong Learning issued by the European Commission in November 2000. The EU defines lifelong learning as a term comprising “all purposeful formalised and non-formalised activities relating to learning that are implemented continuously in order to achieve improvement of knowledge, skills and professional preconditions”
Further education	An educational process focusing on provision of education after completion of a certain school education stage; after completion of initial education or education drawing on work experience or education for obtaining or improving competencies in non-formal educational programmes. <i>In this document, the term “further education” also covers the specialisation education of medical staff according to Act No 95/04 Coll. and Act No 96/04 Coll., see specialisation education.</i>
Formal education	This is implemented at educational institutions the function, objective, contents, resources and evaluation methods of which are defined and determined in legislation. A school is a such typical educational institution.
Informal education	Process of obtaining knowledge, and mastering of skills and standpoints from everyday experience, from the environment and contacts. Unlike formal education or non-formal education, informal education is non-organized, non-systematic and institutionally non-coordinated.
Key competencies	Summary of knowledge, skills, capabilities, standpoints and values important for the personal development and application of each member of society. In the General Educational Programme for primary education, the key competencies are defined at the level that should be achieved by all pupils at the end of primary education; the following are considered to be the key ones in the primary education stage: competence to learn, competence to solve problems, communication competence, social and personal competence, civil competence, working competence.
Competencies	a) An aggregate of powers and responsibilities entrusted to a certain job position or body b) Ability to perform a certain function or set of functions and to achieve a certain performance level in it. Competencies comprehended in such a way also include the willingness to accept decision-making risk, personal initiative, volitive attributes, motivation, etc.
Concept of early care for children from socio-cultural disadvantaged environments	A concept approved on 11 May 2005 under the Czech Republic Government Resolution No 564 regulates the necessity to implement programmes of initial and further education of teaching staff of pre-school education and to further implement programmes and measures focused on the increase of the number of children from low cultural and social status family environment (socio-culturally disadvantaged environment) in pre-school education.
Curriculum	Contents of school education.

Curriculum reform	Reform of the course of study and its contents and of the forms of education (creation and gradual introduction of the concept of a two-level curriculum model – general educational programmes and follow-up school framework programmes; ensuring the education of teachers and managers in the school system as a precondition for implementation of this reform).
Qualification	Set of abilities (knowledge, skills, habits, experience) necessary for obtaining an officially confirmed qualification (mostly acknowledged by the state) for performance of a certain activity (profession, function).
Non-formal education	Non-formal education is carried out beyond the formal education system and does not result in any comprehensive school education. These are organized upbringing educational activities beyond the scope of the established official school system, which offer candidates intentional development of life experience, skills and standpoints based on a comprehensive system of values. These activities are usually voluntary. The organizers are children and youth associations and other non-governmental not-for-profit organisations, leisure time centres, educational agencies, foundations, clubs, cultural facilities, etc.
Organisations engaged in education and career consultancy	These organisations include, for instance, schools and educational establishments; professional organisations of employers; union, employee, employer and industry organisations; employers; facilities for further education of teaching staff, universities, etc.
Initial education	This comprises all formal education within the scope of the educational system taking place before first entry onto the labour market. Note: within the EC OP, the term ‘initial education’ means separately defined primary and secondary education; tertiary education is defined by a separate priority axis.
Human resource development	Lifelong education and learning (both formal and non-formal), including learning from practice (informal), oriented primarily towards better labour application, increase in competencies and efficiency of individuals and teams; this term comprises a wide range of activities, opportunities and stimuli in the educational system, economic practice, public administration and other sectors. There is no accurate and scientifically recognized definition available; HRD is used very liberally in practice.
Specialization education	Preparation for performance of the profession of a medical worker, by the completion of which a specialized competence for performance of the profession is obtained.
Tertiary education	Post-secondary vocational and higher education
Employability	<p>a) The active participation of the population capable of work in economic activity, and the population capable of work is within the age range in which economic activity is performed. Employment policy focuses on achieving equilibrium between labour force supply and demand, aims at productive use of labour force resources and at ensuring the citizens’ rights to employment. The European employment strategy has set 4 pillars as follows: employability, enterprising, adaptability and equal opportunities.</p> <p>b) The ability to be employed. An aggregate of competencies in specific areas, knowledge and skills giving the chance to be successful on the labour market. It also comprises the will connected with persistence, entrepreneurship and desire to succeed, faith in one’s own capabilities, and the awareness of the necessity of progressive and responsible approaches in employment.</p>

Children, pupils and students with special educational needs	According to the Act No 561/2004 Coll. on pre-school, primary, secondary and post-secondary vocational and other education (School Act), section 16 stipulates that a child, a pupil or a student with special educational needs shall mean an individual with health impairment, health disadvantages or social disadvantages.
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Research and development:

Applied research	Experimental or theoretical work carried out in order to obtain new knowledge focusing on future use in practice.
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Innovation	The renewal and expansion of a range of products and services and the related markets, the creation of new methods of production, supply, and distribution, the implementation of changes in management, labour organisation, working conditions, and skills of the workforce.
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Industrial research	A part of applied research, the results of which are used, through development, in new products, technologies and services intended for business.
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Development	The systematic creative use of research knowledge or other suggestions to produce new or improved materials, products or equipment, or to introduce new or improved technologies, systems and services, including the acquisition and testing of prototypes, semi-operational or demonstration equipment.
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Research and development	Systematic creative work to obtain and/or use new knowledge.
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Research employees	Research employees form the most important group of R&D employees, dealing with the conception or creation of new knowledge, products, processes, methods and systems, or they manage such projects.
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Basic research	Experimental or theoretical work carried out to obtain knowledge about the basis or essence of observed phenomena, explanations of their causes and possible impacts of the application of the knowledge obtained.
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Research and development employees	The term 'R&D employees' includes the research employees who carry out R&D directly, and also auxiliary, technical, administrative and other employees at R&D workplaces. 'R&D employees' also include employees procuring direct services relating to research and development activities, such as R&D managers, administrative officers, secretaries, etc.
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Management:

Global grant	Global grant represents a simplified form of project submission, where the actual rules for further provision of resources are simpler for the beneficiary. The beneficiaries are responsible to the Intermediate Body (global grant administrator) for observing all the conditions and rules of the global grant and the connected legislation. Global grants encompass numerous events (projects within the global grant), and the global grant itself is a project. Global grants can be used to provide support primarily to business entities, but also to public administration bodies and non-profit organisations.
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Beneficiary	A Beneficiary is a public or private entity that obtains financial resources from the Structural Funds or Cohesion Fund based on a submitted project application for aid by means of the OP. The beneficiary submits a project, but at the same time demonstrates the ensured co-financing for its implementation; the beneficiary is responsible for the actual implementation of the project and for handling of the resources.
Intermediate Body	An Intermediate Body is a public or private entity acting under the responsibility of the MA or performing activities relating to beneficiaries on the MA's behalf. In practice, it becomes a partner of authors of project applications, particularly in communication regarding the selection and subsequent implementation of the project.

Annex 5 – List of Documents

The concept of the EC OP is derived from many documents of a legislative, strategic, methodological and analytical nature. A list of the most significant documents is provided below.

EU Legislative Documents

- Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999.
- Council Regulation (EC) No 1081/2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999.
- Council Regulation (EC) No 1080/2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999.
- Proposal for Council Regulation (EC) laying down detailed rules for the implementation of the Council Regulation (EC) laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund, Commission Working Document, Brussels, 15 February 2006.
- Resolution of the Council and of the Representatives of the Governments of the Member States, meeting within the Council, on the recognition of the value of non-formal and informal learning within the European youth field 8562/06, Brussels, 24 April 2006.

Czech Republic Legislative and Methodological Documents

- Act No 561/2004 Coll. (dated 24 September 2004), on pre-school, primary, secondary, post-secondary vocational and other education (the Schools Act), as amended by Act No 383/2005 Coll.
- Act No 563/2004 Coll. (dated 24 September 2004), on teachers and amendment to some acts, as amended.
- Act No 552/2005 Coll., amending Act No 111/1998 Coll., on universities and on amendments and supplements to other acts (the Universities Act), as amended.
- Act No 179/2006 Coll., on verification and recognition of results of further education and on amendment to some acts (the Act on recognition of results of further education).
- We request that Act No 111/98 Coll. is added to as follows: “Act No 95/2004 Coll., on conditions for obtaining and recognizing professional qualification and specialized qualification to perform the medical profession of a physician, dentist and pharmacist as amended, and Act No 96/2004 Coll., on conditions for obtaining and recognizing qualification for the performance of non-physician medical professions and for the performance of activities relating to provision of medical care and on amendment to some related acts (the Act on non-physician medical professions), as amended.
- Act No 137/2006 Coll., on public contracts.

- Act No 320/2001 Coll., on financial control in public administration and amendment to certain acts.
- Decree of the Ministry of Finance No 416/2004 Coll., implementing Act No 320/2001 Coll., on financial control.
- Act No 552/1991 Coll., on state control.
- Act No 218/2000 Coll., on budgetary rules and amending certain related laws.
- Act No 250/2000 Coll., on the budgetary rules of district budgets.
- Act No 130/2002 Coll., on aid for research and development from public resources and amending certain related laws (referred to as the “Research and Development Aid Act”).
- Decree of the Ministry of Finance No 231/2005 Coll., on the participation of the national budget in the financing of asset purchasing and reproducing programmes.
- Methodology for the preparation of programming documents for the 2007-2013 period, Ministry of Regional Development, February 2006.
- National Code List of Indicators for the 2007-2013 Programming Period, Ministry of Regional Development, March 2006.
- Methodology of Financial Flows and the Control of Structural Funds and the Cohesion Fund, consolidated wording effective as of 1 January 2006, published by the Ministry of Finance.

EU Strategic Documents

- Communication from the Commission – Cohesion Policy in Support of Growth and Employment: Community Strategic Guidelines, 2007-2013, COM (2005) 0299, Brussels, 5 July 2005.
- Conclusions of the European Council revising the Lisbon Strategy, 7619/1/05, Brussels, 22 and 23 March 2005.
- Working together for growth and employment: A new start for the Lisbon Strategy, COM (2005) 24, Brussels, 2 February 2005.
- Common Actions for Growth and Employment: The Community Lisbon Programme, COM (2005) 330, Brussels, 20 July 2005.
- Wim Kok’s Evaluation Report on the implementation of the Lisbon Strategy, November 2004.

Czech National Strategic Documents

- Draft National Development Plan of the Czech Republic 2007-2013 (version: January 2006).
- Draft National Strategic Reference Framework.

- National Lisbon Programme 2005-2008 (Czech Republic National Reform Programme).
- Economic Growth Strategy; approved by the Government under Resolution No 1500 of 16 October 2005.
- National Education Development Programme in the Czech Republic, 2001.
- Long-term Development Plan of Education and the Educational System in the Czech Republic (2002 and 2005).
- Human Resources Development Strategy for the Czech Republic.

Annex 6 – Table of EC OP link to Article 3 of Council Regulation 1081/2006

	Priority axes of the Education for Competitiveness Operational Programme			
	<i>Priority axis 1</i>	<i>Priority axis 2</i>	<i>Priority axis 3</i>	<i>Priority axes 4a/4b</i>
Within the framework of the Convergence and „ Regional Competitiveness and Employment Objectives, the European Social Fund shall support actions in Member States under the priorities listed below:				
a) increasing adaptability of workers, enterprises and entrepreneurs with a view to improving the anticipation and positive management of economic change, in particular by promoting:				
i) lifelong learning and increased investment in human resources by enterprises, especially SMEs, and workers, through the development and implementation of systems and strategies, including apprenticeships, which ensure improved access to training by, in particular, low-skilled and older workers, the development of qualifications and competencies, the dissemination of information and communication technologies, e-learning, eco-friendly technologies and management skills, and the promotion of entrepreneurship and innovation and business start-ups;	★★	★	★★	★★
ii) the design and dissemination of	★		★	

<p>innovative and more productive forms of work organisation, including better health and safety at work, the identification of future occupational and skills requirements, and the development of specific employment, training and support services, including outplacements, for workers in the context of company and sector restructuring.</p>	★			
<p>b) enhancing access to employment and the sustainable inclusion in the labour market of job seekers and inactive people, preventing unemployment, in particular long-term and youth unemployment, encouraging active ageing and longer working lives, and increasing participation in the labour market, in particular by promoting:</p> <p style="padding-left: 20px;">i) the modernisation and strengthening of labour market institutions, in particular employment services and other relevant initiatives in the context of the strategies of the European Union and the Member States for full employment;</p> <p style="padding-left: 20px;">ii) the implementation of active and preventive measures ensuring the early identification of needs with individual action plans and personalised support, such as tailored training, job search, outplacement and</p>	★	★		

<p>mobility, self-employment and business creation, including cooperative enterprises, incentives to encourage participation in the labour market, flexible measures to keep older workers in employment longer, and measures to reconcile work and private life, such as facilitating access to childcare and care for dependent persons;</p> <p>iii) mainstreaming and specific action to improve access to employment, increase the sustainable participation and progress of women in employment and reduce gender-based segregation in the labour market, including by addressing the root causes, direct and indirect, of gender pay gaps;</p> <p>iv) specific actions to increase the participation of migrants in employment and thereby strengthen their social integration and to facilitate geographic and occupational mobility of workers and integration of cross-border labour markets, including through guidance, language training and validation of competencies and acquired skills;</p>	<p>★★</p> <p>★★★</p>	<p>★★★</p>	<p>★★★</p>	
<p>c) reinforcing the social inclusion of disadvantaged people with a view to their sustainable integration in employment and combating all forms</p>				

<p>of discrimination in the labour market, in particular by promoting:</p> <p>i) pathways to integration and re-entry into employment for disadvantaged people, such as people experiencing social exclusion, early school leavers, minorities, people with disabilities and people providing care for dependent persons, through employability measures, including in the field of the social economy, access to vocational education and training, and accompanying actions and relevant support, community and care services that improve employment opportunities;</p> <p>ii) acceptance of diversity in the workplace and the combating of discrimination in accessing and progressing in the labour market, including through awareness-raising, the involvement of local communities and enterprises and the promotion of local employment initiatives;</p>	<p>★★★</p> <p>★</p>	<p>★★★</p> <p>★</p>	<p>★★★</p> <p>★</p>	<p>★★★</p> <p>★</p>
<p>d) enhancing human capital, in particular by promoting:</p> <p>i) the design and introduction of</p>	<p>★★★</p>	<p>★★★</p>	<p>★★★</p>	<p>★★★</p>

<p>reforms in education and training systems in order to develop employability, the improvement of the labour market relevance of initial and vocational education and training and the continual updating of the skills of training personnel with a view to innovation and a knowledge-based economy;</p> <p>ii) networking activities between higher education institutions, research and technological centres and enterprises;</p>		★★★		★★
<p>e) promoting partnerships, pacts and initiatives through networking of relevant stakeholders, such as the social partners and non-governmental organisations, at the transnational, national, regional and local levels in order to mobilise for reforms in the field of employment and labour market inclusiveness.</p>	★★	★★	★★	★★
<p>Within the framework of the Convergence Objective, the ESF shall support actions in Member States under the priorities listed below:</p>				
<p>a) expanding and improving investment in human capital, in particular by promoting:</p> <p>i) the implementation of reforms in</p>	★★★	★★★	★★★	★★★

<p>education and training systems, especially with a view to raising people’s responsiveness to the needs of a knowledge-based society and lifelong learning;</p> <p>ii) increased participation in education and training throughout the life-cycle, including through actions aiming to achieve a reduction in early school leaving and in gender-based segregation of subjects and increased access to and quality of primary, vocational and tertiary education and training;</p> <p>iii) the development of human potential in research and innovation, notably through post-graduate studies and the vocational training of researchers;</p>	<p>★★★</p>	<p>★★★</p> <p>★★★</p>	<p>★★</p>	<p>★★★</p>
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★★★ significant link

★★ medium link

★ low link

no link or indirectly mediated influence