#### VOCABULARY

structural – strukturální cohesion – soudržnost Cohesion Fund – Fond soudržnosti, Kohézní fond allocate – přidělit, stanovit related – související purpose – účel

withdraw – čerpat
aid – pomoc
focuse on – orientovat se na
disparity – nerovnost, rozdíl
lagging behind – zaostávání
disadvantage – znevýhodnit
instrument – nástroj
regional – regionální
meet an objective – splnit cíl
objective – cílová oblast
lay down – stanovit

promote – povzbuzovat

support - podporovat
adjustment - přizpůsobení,
úprava

fisheries guidance – podpora rybolovu guarantee – záruka

#### READER

# Structural Funds and Cohesion Funds of the European Union

**Structural** and **Cohesion Funds** are funds **allocated** by the EU for two **related purposes** – at first to support the poorer regions of Europe, and at second to support integrating European infrastructure especially in the transport sector.

After the Czech Republic became an EU Member State on 1 May 2004, it can withdraw aid from the EU Structural Funds. Structural Funds are focused on decreasing disparities in the level of development of various regions and decreasing the lagging behind the most disadvantaged regions, while stressing the EU economic and social cohesion. Structural Funds belong to the most significant instruments of the EU regional and structural policy. They help meet objectives laid down by the EU.

# 3 Objectives of the EU regional and structural policy in the period 2000-2006

- Objective 1 Promoting the development and structural changes in lagging-behind regions (for regions with GDP less than 75 % of the EU average);
- Objective 2 Supporting the economic and social conversion of regions facing structural difficulties;
- Objective 3 Supporting the adjustment and modernisation of policies and systems in education, re-qualification and employment.

These objectives are met through four major funds:

- 1. European Regional Development Fund (ERDF)
- 2. European Social Fund (ESF)
- 3. Financial Instruments for Fisheries Guidance (FIFG)
- 4. European Agricultural Guidance and Guarantee Fund (EAGGF)

significant – podstatný, významný make progress – činit pokrok competitive – konkurenční, konkurenceschopný in relation to – ve vztahu k average – průměrný gross domestic product hrubý domácí produkt cohesion region - region soudržnosti classify - klasifikovat draw on - čerpat z support - podpora, pomoc socio-economic - společensko-hospodářský fulfil a criterion – vyhovět kritériu, splnit kritérium pl. criterions, criteria

eligible cost – přípustné
náklady
cover – (zde) finančně krýt
duly – řádně
justify – odůvodnit
Community Support Framework (CSF) – Rámec
podpory Společenství
internal – vnitrostátní
negotiations – jednání
public – veřejný, státní
non-public – neveřejný,
nestátní
national – národní
regional – oblastní

Operational Programme – Operační program

local - místní

#### General information

The Czech Republic has made significant progress in becoming competitive particularly in its relations to EU Member States, but it is still below 75% of the European Union's average gross domestic product (GDP). This means that its cohesion regions (see the Note in the section EXERCISES), with the exception of Prague, were classified under Objective 1 and could draw on support from the EU's Structural Funds for their socio-economic development. The region of Prague does not fulfil this criterion, and is not covered by the CSF; this region will however be able to draw funds from Objective 2 and Objective 3.

The contribution of the Funds could be a maximum of 75 % of the total **eligible cost** and, as a general rule, at least 50 % of eligible public expenditure in the case of Objective 1. Where the regions are located in a Member State **covered** by the Cohesion Fund, which is the case for the Czech Republic, the Community contribution could rise, in exceptional and **duly justified cases**, to a maximum of 80 % of the total eligible cost.

The Community Support Framework (CSF) for the Czech Republic 2004 – 2006 was the final result of a long period of preparations and internal negotiations within the Czech Republic between many different public and non-public, national, regional and local partners followed by an intensive period of negotiations with the European Commission.

## Organisation

The global strategy of the Community Support Framework was implemented by specific strategies described in five **Operational Programmes (OP).** 

# OP Industry and Enterprise OP Průmysl a podnikání labour productivity – produktivita práce

**OP Infrastructure** – **OP** Infrastruktura **priority axis** – prioritní osa

OP Rural Development and Multi-Functional Agriculture – Rozvoj venkova a multifunkční zemědělství in line with – v souladu s sustainable development – trvale udržitelný rozvoj balanced development – rovnoměrný rozvoj

OP Human Resources
Development – OP Rozvoj
lidských zdrojů
cater for – starat se o

Joint Regional Operational Programme – Společný regionální operační program financial weight – finanční zatížení, náklad

- 1. The global objective of the **OP Industry** and Enterprise was to contribute to a competitive Czech business sector on the European common market with a high labour productivity and efficient production.
- The OP Infrastructure contributed to the development of the second priority axis – Development of Transport infrastructure – and the fourth priority axis – Protection and improvement of the environment.
- ti-Functional Agriculture was in line with the fifth priority axis of the CSF Rural development and Agriculture and contributed to a part of the specific objectives creating conditions of the business environment and improvement of the infrastructure quality, while at the same time supporting the horizontal objectives of sustainable development and balanced development of regions.
- 4. The **OP Human Resources Development** catered directly for the third CSF priority axis Human Resources Development.
- 5. The Joint Regional Operational Programme (JROP) was based on a joint development strategy with the regional differences reflected by different financial weights to priorities and measures in the individual regions.

http://crr.ci/, www.mpo.cs, www.ruse-europe.org (adapted)

**ADDITIONAL INFO** – Names and translation of some relevant EU institutions:

**Programming documents** – Programové dokumenty **Programme Complement** – Programový dodatek

Single Programming Document - Jednotný programový dokument

## **EXERCISES**

#### 1. Note

**Cohesion regions** in the Czech Republic are the following: Central Bohemia, North-West, South-West, North-East, South-East, Central Moravia and Moravia Silesia.

#### 2. Fill in appropriate words.

#### 3. Which word is defined?

is balancing the fulfillment of human needs with the protection of the natural environment so that these needs can be met not only in the present, but in the indefinite future.

	are all direct costs properly and reasonably incurred and paid by an applicant or Third Party, which are invoiced against a contract for goods and/or services necessary for the implementation of a project.	
- 2181	is a noticeable difference between two or more things.	A - 1

#### 4. Explain the terms.

sustainable development:

rural:

joint programme:

disparity:

human resources:

competitive market:

eligible cost:

## 5. Fill in prepositions if necessary.

Funds are allocated	the EUva	arious purposes; to draw
supportthe funds	the regional	development; a member state
coveredthe fund;	to laythe ob	jectives; areas facingdif
ficulties; to contribute	the developmen	nt; the programme based
a joint strategy; the area f	fulfillsthat cri	iterion.

#### 6. Control questions.

- 1. What are the purposes of the Structural and Cohesion Funds?
- 2. What spheres do the objectives of the EU regional and structural policy concern?
- 3. What sources are they financed from?
- 4. Explain from which of the funds could an institution from your home-town draw on support?
- 5. What maximum support could the institution be contributed?
- 6. What areas do the Operational Programmes cover?

#### 7. Translate into English.

1. **Evropský fond regionálního rozvoje** pomáhá odstraňovat problémy v zaostávajících regionech a v upadajících průmyslových oblastech.

- 2. Financuje investice do infrastruktury, vytváření pracovních míst, podporuje místní rozvoj, zaměstnanost, malé a střední podnikání v problémových regionech, vědu a výzkum.
- 3. Evropský sociální fond se zaměřuje na boj s nezaměstnaností, rozvoj lidských zdrojů a pomáhá nezaměstnaným a znevýhodněným skupinám zapojit se do pracovního procesu.

#### 8. PHRASE TO REMEMBER

earmark

Meaning

In the following sense the verb earmark means *allocate*, *designate*, *reserve or set aside*.

"The European Union has announced that it intends to *earmark* further funds for transportation".

Origin

It probably originated in cattle breeding. Farmers used to cut the ears of their cattle in a particular way to set them aside from other animals in common grazing areas. An earmarked animal therefore was clearly identifiable to its owner.

# 5.4.1 Regional Policy and Structural Funds of the EU within 2007-2013

## Key Terms

Guess the meaning or translate or try to explain – if you are not sure, read the text and consult the vocabulary on the left side of the text.

	Translate	Guess the meaning	Explain
merger			
entrepreneurial envi- ronment			
allocation of resources			
internal market			
small and medium-sized enterprises			
implementation			