

# Interim report from the Outcome Evaluation of the Benefits of European Funds at Regional Level, Tasks 5 and 6

Olomouc Region – Management  
Summary

Members 2022

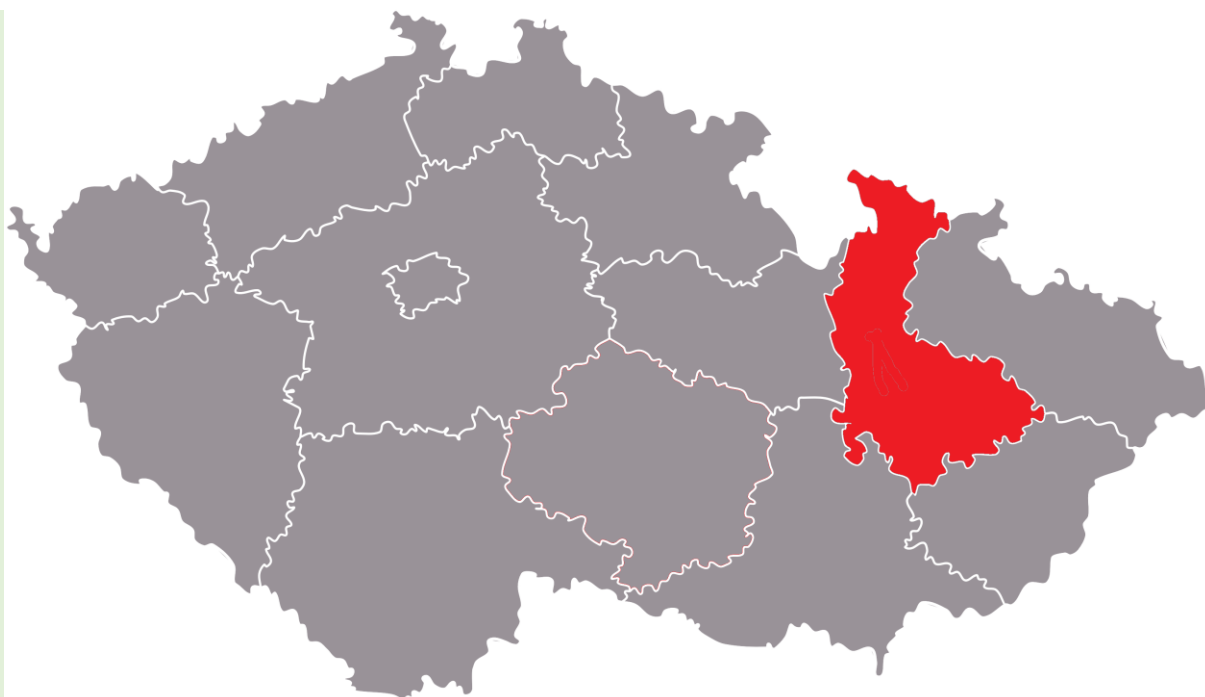
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## Management Summary

EU funds in the Olomouc Region significantly helped with the restoration of national cultural monuments and the development of the scientific and research potential of the Olomouc University. However, relatively less funds were directed to structurally affected parts of the Region, such as Jesenicko and Konicko.

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**In the Olomouc Region (also referred to as “the Region”), there are significant differences both in the EU funds spending and in the strategic approach to the development of individual districts.<sup>1</sup> The Region tried to compensate mainly for differences in living standards in the northern part of the territory. In comparison with the northern part, the inner peripheries of the Region, including Konicko, where we carried out a case study and where the minimum of EU funds went, were omitted during the strategic planning.**

The Olomouc Region is internally differentiated and the needs/problems in the northernly located administrative districts of Jeseník and Šumperk have a completely different character (emigration, education, unemployment) from the challenges faced by Olomouc and its hinterland. Significant financial resources were to be directed to support these districts in accordance with the strategic materials of the Olomouc Region. This was only partially achieved, with projects directed to the Šumperk district in an above-average manner, while Jesenicko, together with Konicko, was one of the least supported districts in the Olomouc Region.

Significantly EU funds contributed to the restoration of cultural monuments in the Region, when almost half of the national cultural monuments located in the Region were repaired. The most important repaired building was, according to respondents Basilica of the Visitation of the Virgin Mary on the Holy Hill near Olomouc. Here, the ITI tool significantly helped, thanks to which these priorities were included in the strategy for the development of the territory and managed to implement them. The funds also significantly contributed to the increase in the number of researchers in the Region, especially in connection with the local university.

To the more closely examined administrative district Konice, projects worth more than 120 million CZK were directed, of which the most projects in the field of education and social services. Even so, the area was supported relatively the least in the whole Region, when the slightly larger district Lipník nad Bečvou spent 5 times more funds per capita. The management of the town of Konice explained the small use of EU funds in the territory by the size of the territory, when as a smaller district Konicko has less possibilities and less opportunity to influence the flow of funds in the Region. Problems were also perceived in the administrative burden and the specific setting of calls, which did not allow municipalities to implement some of the prepared projects.

However, new community centres in the area, which provide not only social services but also a space for citizens to meet, were considered to be a great benefit. Furthermore, smaller municipalities and LAG representatives highlighted the contribution to the development of infrastructure and public spaces.

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<sup>1</sup> Administrative district or simply district stands for the Czech phrase „municipality with extended powers“, which is administrative unit within region. The Olomouc Region has 13 districts including Olomouc as a regional capital.

EU funds contributed to solving identified problems in regional strategies, thrived in social services and education, needs in health care or on the labour market persist

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**According to the strategic materials, the aim of the Region was to equalize the differences between the northern and southern parts of the Region in employment, the environment and public service infrastructure. In some cases, EU funds have made a demonstrable contribution to addressing needs, while in some cases the impact of implemented projects on the shift in socio-economic indicators and in addressing needs has not been so much reflected.**

The Region has a relatively higher average unemployment value (3% ranks it ninth among the regions). There has also been a decline in population in recent years, mainly due to migration. As a result of the negative migration balance, the population is significantly ageing, which may cause economic and social problems in the future. The concentration of inhabitants is spatially significantly uneven and shows a north-south gradient, with the largest cities of the Region concentrated in the south and decreasing to the north. This is also reflected in the strategic needs, which often speak of the development of structurally affected areas, specifically the Šumperk and Jesenice districts.

In the Olomouc Region, great emphasis is placed on reducing the higher unemployment rate compared to other regions, and the needs related to improving the environment, especially increasing air quality in the southern part of the Region and reducing the high production of municipal waste. The Region has also defined its needs in terms of covering the territory with the necessary infrastructure of public services (capacities of kindergartens and elementary schools, health care facilities, social services), and the completion of the integrated transport system.

#### THE NEEDS OF THE REGION, WHICH WERE SUCCESSFULLY ADDRESSED

EU funding has contributed to solving problems, particularly in the areas of transport, revitalisation of monuments and cultural heritage, education and social services.



**123 km of roads were newly built, reconstructed or modernized.**

Although this represents only 2% of the total length of the 6,000 km of road network in the Region, the regional leadership considers the contribution of funds to road infrastructure to be important.

In the area of transport, public transport has also been fully integrated, with 257 new parking spaces for cars and 460 parking spaces for bicycles. 10 cycle paths were repaired or built.



**More than 48,000 children have access to better quality education.**

This is almost two-thirds of the 76,000 children attending kindergartens and elementary schools in the Region.

The capacity of educational establishments is now sufficient. In order to improve the quality of education, 203 educational establishments were supported. In addition, infrastructure for education has been improved, e.g. through the construction of new classrooms and the acquisition of new equipment.



**In the area of social services, 5 social enterprises, 136 social apartments were established and 70 facilities for social services were supported.**

Nevertheless, the results of the analysis of the impact of activities on the social exclusion index in the Region are inconclusive.

In social services, institutionalized care is also being transformed and the Region cooperates with a number of social service providers and implements medium-term development concepts. Emphasis was placed on the social integration of pupils in education, with more than 3,000 pupils supported in 519 projects amounting to 362 million CZK. There were 758 supported Roma children, pupils and students in the projects.

Despite this, these needs persist into the next period, at least because of the natural necessary renewal of capacities that are becoming obsolete.

### THE NEEDS OF THE REGION, WHICH WERE ONLY PARTIALLY ADDRESSED

Even at the end of the programming period, the Region was still struggling with a decrease in population, although the level of migration has decreased slightly in recent years. Given the complexity of the reasons related to migration, determining the specific impact of EU funds on this aspect is difficult.

Even in the following period 2020-2027, the Region has set needs in the areas of the labor market, digitization and ICT equipment, health care and the environment, where EU funds have not contributed to such a significant shift. These defined needs are closely linked to the Strategy 2015-2020.



**Labour market needs were partly addressed by creating 28 076 new jobs or by supporting an active employment policy supporting 2 173 unemployed participants**

The issue of employment remains problematic, especially in some parts of districts Jeseník and Přerov.



**High-speed internet connection was solved by a gradual increase in the share of connected households, whose number has increased by almost 14% since 2014.**

Of the other public services, it was not possible to move the area of health services, which, according to the regional leadership, was not given sufficient attention. In the future, the Region would like to focus primarily on supporting the integrated rescue system.



**For example, environmental projects have reduced energy consumption among more than 3,000 households since 2014, flood protection plans have been developed for 33 municipalities and water quality has improved for more than 8,000 inhabitants**

In the area of the environment, however, the Region's management sees greater potential for the upcoming programming period, as it will face the challenges associated with climate change and waste management.

### OVERVIEW OF SPENDING IN THE OLOMOUC REGION BY OPERATIONAL PROGRAMMES

**In January 2022, the Olomouc Region is the third most supported region with 50 thousand CZK in terms of reimbursement of funds per 1 inhabitant. Most of the funds per capita went to administrative districts Olomouc, Přerov and Lipník nad Bečvou.**

This location of the Olomouc Region was mainly influenced by the project of the construction D1 Přerov – Lipník nad Bečvou, but also by the high pumping in comparison with other regions in the OP ŽP (Environment), OP PIK (Innovation for Competitiveness) and OP VVV (Research, Development and Education). Overall, 32 billion CZK has been spent in the Region so far. As of 1 June 2021, most of the European funds were spent through the Integrated Regional Operational Programme and the Operational Programme Innovation for Competitiveness. Significant financial support to the Region was still directed through the Operational Programme Transport (OP D), also thanks to the completion of

the D1 motor highway. Other operational programmes were less numerically represented in the implementation of projects in the Region

| Total amount spent | Spending per 1 inhabitant |                 | Ranking of the Region |
|--------------------|---------------------------|-----------------|-----------------------|
| OP PIK             | 8 billion CZK             | 11 thousand CZK | 3rd place             |
| IROP               | 8 billion CZK             | 10 thousand CZK | 4th place             |
| OP D               | 6 billion CZK             | 9 thousand CZK  | 6th place             |
| OP ŽP              | 5 billion CZK             | 7 thousand CZK  | 2nd place             |
| OP VVV             | 2 billion CZK             | 5 thousand CZK  | 3rd place             |
| OP Z               | 1,6 billion CZK           | 4 thousand CZK  | 6th place             |

## OVERVIEW OF SPENDING IN THE OLOMOUC REGION BY MUNICIPALITIES WITH EXTENDED POWERS (DISTRICTS)

From the point of view of the conversion of spending per 1 inhabitant, the administrative district of the municipality with extended powers of Olomouc was the most supported. A significant share of the regional capital is typical for all other regions, in the case of Olomouc it was about 36%, which is the average value among regions. The largest share, around 50%, is achieved by the Plzeň, South Moravian and Liberec regions. Outside the regional capital, the adjacent districts Přerov and Lipník nad Bečvou achieve the highest support, benefiting not only from the proximity of the regional capital, but also thanks to the completion of the D1 motor highway in the section Přerov – Lipník nad Bečvou. Among the most supported districts is also Mohelnice, where OP PIK was an important source of funds.

On the contrary, the volume of allocated funds and the relative share per 1 inhabitant was below average in the administrative district of Jeseník and Konice, structurally the most affected districts in this Region.

## Projects with a territorial dimension have left a visible mark on the development of the region

**Integrated instruments, especially Integrated Territorial Investments (ITI), played an important role in the development of transport in the Region and the renovation of important regional monuments. Within some form of territorial dimension, 22.6 billion CZK was spent in the Olomouc Region. This amount means 71 % of all funds spent in the Region. The largest share of the funds of calls with a territorial dimension was directed to the districts Lipník nad Bečvou, Přerov and Zábřeh. The main topics supported were in the areas of transport, climate change and research. However, the interviews showed that the fact that the challenge has a territorial dimension is in most cases not perceived by respondents at all.**

Despite the relatively high proportion of these instruments, for beneficiaries the difference between the implementation of projects through individual calls and the challenges focused on the territorial dimension, including integrated tools, are evident. More than half of municipalities do not see a difference in projects. A more pronounced impact on the shift in the quality of life was seen in smaller municipalities, where projects were often implemented by Local Action Groups, applicants who have little chance of succeeding in individual challenges.

## GOOD AND BAD PRACTICE OF CLLD PROJECTS

The use of CLLD (including per capita conversion) was average in the Region Olomouc. On the other hand, CLLD represented an important source of investment for smaller cities.

The contribution of the LAG by municipalities as another tool for development was positively evaluated. As one of the main added values of the LAG, the field survey resulted in support for the formation of regional awareness and identity of the regions. Rural development programme projects that support community and leisure activities in the territory, as well as partly supported community centres, have an impact in this area. The advantages of CLLD over individual challenges were mentioned mainly in relation to small municipalities and entrepreneurs.

For projects implemented through IaGs, beneficiaries give a negative assessment of the small allocation, which is not motivating for larger projects. Respondents also mentioned the administratively lengthier process of evaluating grant applications.

## BENEFITS OF ITI

The ITI tool helped to direct significant investments into the restoration of important monuments in the Olomouc agglomeration. It was thus possible to restore monuments of regional as well as European importance. Of the 13 national cultural monuments located in the Olomouc Region, 6 have been repaired thanks to the support of EU funds.

Thanks to ITI, more than 2.2 billion CZK has been invested in the Olomouc agglomeration so far, of which 1.5 billion CZK went to projects for the revitalisation of monuments, which is very atypical compared to other regions. The second most important area was transport, followed by education. On the contrary, projects to support employment have not been implemented very well.

In many cases, one of the main advantages of the ITI tool has been exploited, namely the implementation of successive projects to achieve synergies. The ITI management mentioned this aspect of the tool as important.

| CULTURAL MONUMENTS   | TRANSPORT INFRASTRUCTURE  |
|--|---|
| <ul style="list-style-type: none"> <li>▶ There has been a big change in the last 7 years. According to the Region's management, projects for the restoration of monuments would not have happened without EU funds and represented a great achievement interterritory.</li> <li>▶ For example, the Olomouc Town Hall, Štemberk Castle, the Basilica of the Visitation of the Virgin Mary on the Holy Hill near Olomouc, and Helfštýn Castle, which received two nominations for the building of the year in the reconstruction category, were repaired.</li> <li>▶ We also managed to reach out to private owners of heritage properties and repair some of their buildings, including museums.</li> </ul> | <ul style="list-style-type: none"> <li>▶ In the Olomouc agglomeration, large infrastructure transport projects have been completed from the previous period.</li> <li>▶ Directly in Olomouc, investments related to tram transport were carried out, when cars were purchased, lines and substations were strengthened and modernized.</li> <li>▶ 10 cycle paths were also built or repaired, including in Mohelnice, Uničov and Litovel, but also in smaller villages such as Červenka.</li> </ul> |

The share of projects in Olomouc and its surroundings is approximately 1/3 and 2/3 and the projects were directed not only to the core of the territory, but also to its functional background. This is quite atypical and is due to the occurrence of several larger cities that are involved in ITI. The share of spending in Olomouc is smaller than, for example, in Brno, where there is only one large city in the agglomeration (in the case of Brno, the share of pumping outside the city was approximately 25%). Behind this success is also the effort of the ITI management to spread projects and meet the demand of the entire territory.

## The regional report is based on a combination of data analyses and an in-depth field survey

**The report for the Olomouc Region was processed on data from the MS2014+ monitoring system valid as of 1 June 2021. The outputs were prepared from documents processed based on quantitative and qualitative research methods.**

We worked on the report between June and November 2021. We processed data from the monitoring system, which we subjected to a deeper analysis, including an assessment of the net effect of EU funds based on an assessment of the shift of selected socio-economic indicators. We complemented this quantitative analysis with a robust qualitative field survey, especially at Konicko in a case study. We conducted dozens of interviews with important stakeholders of the Region and district Konicko, a questionnaire survey at the level of municipalities and citizens of the district Konicko and focus groups with representatives of supported school facilities and representatives of the LAG. The evaluation will last until October 2023 and in the next phase reports will be prepared for the Hradec Králové, Liberec, Central Bohemia and South Moravian regions.