

GOVERNMENT OF THE CZECH REPUBLIC

RESOLUTION

OF THE GOVERNMENT OF THE CZECH REPUBLIC
no. 275 from 15 March 2000

on Co-ordination of the use of instruments of assistance provided by
the European Community (Phare, Ispa, Sapard)
in the Czech Republic

The Government

- I. Approves the Principles of Co-ordination of the Use of Assistance Provided by the European Community (Phare, Ispa, Sapard) in the Czech Republic as contained in Appendix to this Resolution (hereinafter the "Principles");
- II. Instructs
 1. the Deputy Prime Minister and Minister of Finance to submit to the Government, in collaboration with the other members of the Government and as part of the annual summary report on the use of aid provided by the European Community, proposals for measures to co-ordinate more rigorously the use of such assistance;
 2. the members of the Government and the heads of other central organs of state administration rigorously to comply with the Principles, to ensure that there is effective use of the pre-accession assistance provided by the European Community and to add new members to the co-ordination structures according to the Principles;
- III. Recommends that the Governor the Czech National Bank proceed in line with this Resolution.

To be carried out by:

Members of the Government and
Heads of other central organs of state administration

Prime Minister
Ing. Miloš Zeman, by his own hand

Principles of Co-ordination of the Use of Assistance Provided by the European Community (Phare, Ispa and Sapard) in the Czech Republic

1. Co-ordination Structures

The following co-ordination structures exist, in accordance with the approved Resolutions/documents, for the use of non-refundable pre-accession assistance from the European Community:

- *Proposed Institutional Framework for the Czech Republic's Participation in the European Community's Structural Funds Programmes* (Government Resolution no. 417/1998);
- *Position Document for the Area of Economic and Social Cohesion* (Government Resolution no. 159/1998);
- *Preparation for the Use of Structural Funds* (Government Resolution no. 40/1999);
- *Information on the National Fund Established at the Ministry of Finance and Organisation of its Activity* (Government Resolution no. 705/1999);
- *Council Regulation* no. 1266/1999, on co-ordination of pre-accession assistance to candidate countries and the pursuant *Vademecum* on co-ordination of three financial pre-accession instruments, published by the European Commission in February 2000.

The basic framework for use of the assistance is the *Framework Agreement between the Government of the Czech Republic and the European Community on the Czech Republic's Participation in European Community Assistance Programmes* and also Act no. 2/1969, *on the Establishment of Ministries and other Central Organs of State Administration of the Czech Republic*, as amended.

1.1. Joint Co-ordination of the European Community's Instruments of Pre-Accession Assistance at the National Level

The aim of co-ordination at the national level is to ensure that there is joint co-ordination of the European Community's assistance instruments (Phare, Ispa and Sapard) in the pre-accession period, monies from which arrive to the Czech Republic via one point in the Czech Republic, the National Fund at the Ministry of Finance.

Joint co-ordination is ensured by the Ministry of Finance, in the person of the National Aid Co-ordinator, in collaboration with other ministries. In this activity he is answerable to the Government Committee for European Integration and the Working Committee for the Czech Republic's Integration to the EU, whose Working Group Phare he heads. In the event of very serious decisions or problems, he is answerable directly to the Government of the Czech Republic.

A) National Aid Co-ordinator

- Official representative and main contact person responsible for co-ordinating the preparation of programmes in the recipient country; has supreme, blanket responsibility proceeding from the need for joint co-ordination of European Community pre-accession assistance programmes at the national level;
- Appointed by the Minister of Finance, at the level of deputy minister.

B) National Authorising Officer

- Is responsible for the overall management of European Community assistance monies in the Czech Republic;
- Appointed by the Minister of Finance, at the level of deputy minister (different from the National Aid Co-ordinator).

C) Joint Monitoring Committee

- Supreme co-ordinating body for Phare, Ispa and Sapard pre-accession instruments, whose task is to monitor and assess implementation of the programmes and projects from the point of view of achieving all the objectives set out in the Financing Memoranda and in respect of the Czech Republic's preparations for entry to the EU;
- Chairperson: National Aid Co-ordinator;
- Composition: National Aid Co-ordinator; National Authorising Officer; Chairperson(s) of the *National Programming Committee* and the *Monitoring Committee for Economic and Social Cohesion*; representatives of the European Commission;
- Supplemented by an invited representative of the Ministry of Foreign Affairs.

D) Monitoring Sub-Committee (JMC Preparatory Working Group)

- Prepares materials for sessions of the Joint Monitoring Committee;
- Chairperson: National Aid Co-ordinator or his designated representative;
- Composition: the Czech Republic's representatives in the Joint Monitoring Committee; Programme Authorising Officers (*PAO*) and Senior Programme Officers (*SPO*) appointed by the relevant ministries and other institutions.

E) Implementing Agencies

- Responsible for preparation and implementation of programmes and projects in connection with the relevant departments/ministries;
- Responsibility for management of individual programmes approved by the National Authorising Officer;
- For the Sapard instrument/Programme, the function of Implementing Agency will be performed by the *Sapard Paying Agency* and the Central Co-ordinating Unit for the Sapard Programme;
- Established by the relevant Ministers.

1.2. Co-ordination of the European Community's Instruments of Pre-Accession Assistance in the area of Economic and Social Cohesion

In terms of its substance, the area of economic and social cohesion represents a relatively independent bloc, for which the Ministry for Regional Development is responsible, with overall co-ordination by the *National Programming Committee* and the *Monitoring Committee for Economic and Social Cohesion*.

The chairperson(s) of these Committees submits the outputs of the work of the *Monitoring Committee for Economic and Social Cohesion* to the *Joint Monitoring Committee*.

Co-ordination is tied to the preparations for use of Structural Funds and the Cohesion Fund and concerns Phare Programmes in the area of regional and sectoral development programmes, Cross-Border Co-operation Programmes and the Ispa and Sapard pre-accession instruments.

The objective is to co-ordinate the European Community's pre-accession assistance (Phare, Ispa, Sapard) and the Czech Republic's overall preparations aiming to complete the *National Development Plan* and its final transformation into the form of a *Community Support Framework*, including financial, institutional and administrative organisation.

Phare supports preparations for the European Regional Development Fund (ERDF) and the European Social Fund (ESF); Ispa supports preparations for the Cohesion Fund (CF); and Sapard supports preparations for the European Agricultural Guarantee and Guidance Fund (EAGGF).

A) National Programming Committee for Economic and Social Cohesion

- Co-ordinates work related to preparation for the use of Structural Funds and the Cohesion Fund, with emphasis on drawing up programme documents and system measures;
- Co-ordinates the activities of subordinate regional and sectoral structures;
- Chairperson: appointed by the Minister for Regional Development, at the level of deputy minister;
- Composition: Chairperson; National Aid Co-ordinator; National Authorising Officer; deputy ministers and section heads of integration departments of the concerned ministries, as designated by the relevant Ministers (Ministry for Regional Development; Ministry of Finance; Ministry of Labour and Social Affairs; Ministry of Industry and Trade; Ministry of Transport and Communications; Ministry of the Environment; Ministry of Agriculture; Ministry of Foreign Affairs; Ministry of the Interior; Ministry of Culture; Ministry of Education, Youth and Sports; Ministry of Health); Chairperson of the *Sapard National Monitoring Committee*; Chairperson of the *Ispa Co-ordinating Committee*; a representative of the Czech Statistical Office; chairpersons of *Regional Management and Monitoring Committees*; economic and social partners – appointed by the Minister for Regional Development. Representatives of the European Commission can be invited as Observers.

B) Monitoring Committee for Economic and Social Cohesion

- Evaluates programme implementation in the area of economic and social cohesion and monitors the impact of the programmes;
- Chairperson: appointed by the Minister for Regional Development, at the level of deputy minister;
- Composition: Chairperson; National Aid Co-ordinator; National Authorising Officer; deputy ministers and section heads of integration departments of the concerned ministries, as designated by the relevant Ministers (Ministry for Regional Development; Ministry of Finance; Ministry of Labour and Social Affairs; Ministry of Industry and Trade; Ministry of Transport and Communications; Ministry of the Environment; Ministry of Agriculture; Ministry of Foreign Affairs; Ministry of the Interior; Ministry of Culture; Ministry of Education, Youth and Sports; Ministry of Health); chairpersons of *Regional Management and Monitoring Committees*; economic and social partners; representatives of the European Commission;

- Supplemented by the Chairperson of the *Sapard National Monitoring Committee*, Chairperson of the *Ispa Co-ordinating Committee*, the chairpersons of *Ispa Working Groups* in the areas of the environment and transport, and the PAO for the Cross-Border Co-operation Programme.

1.2.1. Co-ordination of European Community Assistance Programmes in the area of Preparation for Structural Funds

A) Sectoral Management and Monitoring Committees

- Co-ordinate the preparation of sectoral Operational Programmes (SOPs) as part of the preparations for the European Community's Structural Funds and assesses implementation of the programmes and their impacts; SOPs are currently in place for the areas of Human Resources Development (Ministry of Labour and Social Affairs) and Competitiveness (Ministry of Industry and Trade);
- Chairperson: appointed by the relevant Minister, from senior ministry staff;
- Composition: Chairperson; other representatives of the given ministry and other concerned ministries, as designated by the relevant Ministers; representatives of the regions; social and economic partners; non-governmental organisations and universities – appointed by the relevant Minister;
- Supplemented by representative of the National Aid Co-ordinator (Ministry of Finance).

B) Regional Management and Monitoring Committees

- Co-ordinate activities related to preparation for use of Structural Funds and individual programmes in the area of economic and social cohesion at the regional level, assess implementation of programmes and their impacts;
- Chairperson: appointed by the Minister for Regional Development;
- Composition: Chairperson; representatives of selected ministries and their territorial departments, as designated by the relevant Ministers; representatives of district authorities (okresní úřady), local government and other regional entities – appointed by the Minister for Regional Development;
- Supplemented by the Chair-person of the *Sapard Regional Monitoring Committee*, selected members of the relevant Cross-Border Co-operation Programme *Joint Co-ordinating Committee*; links to the Ispa financial instrument will be handled by representatives of the Ministry of Transport and Communications and the Ministry of the Environment via the *Regional Management and Monitoring Committee*.

C) Cross-Border Co-operation Programme Joint Co-ordinating Committees

- Co-ordinate Cross-Border Co-operation Programmes, work on a bilateral or trilateral level of neighbouring countries;
- Composition: The responsible officer for the Cross-Border Co-operation Programme and other Czech Republic representatives to the Joint Co-ordinating Committees – appointed by the Minister for Regional Development.

1.2.2. Co-ordination of the Ispa Instrument/Programme

A) Ispa Co-ordinating Committee

- Implements the strategy for use of Ispa, assesses the progress of preparatory works, oversees compliance with procedures in the selection of projects for Ispa, responsible for presenting proposals to the European Commission for projects for financing under Ispa;
- Chairperson: appointed by the Minister for Regional Development, from senior ministry staff;
- Composition: Chairperson; representatives appointed by the relevant Ministers (Ministry of Transport and Communications, Ministry of the Environment, Ministry of Finance). European Commission representatives may be invited as Observers;
- Supplemented by representative of the National Aid Co-ordinator (Ministry of Finance) and representative of the Ministry of Foreign Affairs and the Ministry of Agriculture.

B) Ispa Working Groups

- Prepare, within the sectors of transport and environment, sector strategies for using Ispa, propose priority projects, support their preparation and implementation, co-ordinate activities in the context of Ispa with other sectoral activities;
- Chairperson: appointed by the relevant Minister (Ministry of Transport and Communications, Ministry of the Environment);
- Composition: Chairperson; other representatives of the relevant ministries (Ministry of Transport and Communications, Ministry of the Environment) as appointed by the Minister; representatives of implementation units; non-governmental organisations; a representative of the Ministry for Regional Development also participates in the *Ispa Working Groups*, while for the *Ispa Working Group* for the environment, also representatives of the Ministry of Industry and Trade and Ministry of Agriculture.

1.2.3. Co-ordination of the Sapard Instrument/Programme

A) Joint Commission for Preparation and Implementation of the Sapard Programme

- Discusses fundamental issues related to implementation of the Sapard Programme;
- It is envisaged that after inauguration of the programme, the Joint Commission's role will be taken over by the *Sapard National Monitoring Committee*;
- Chairperson: not appointed, the *Joint Commission* is alternately convened and run by the authorised representatives of the Ministry of Agriculture and the Ministry for Regional Development;
- Composition: representatives of the Ministry of Agriculture, Ministry of the Environment, Ministry for Regional Development and the Ministry of Finance, as appointed by the relevant Ministers. Representatives of the European Commission and other institutions may be invited as Observers;
- Supplemented by a representative of the National Aid Co-ordinator (Ministry of Finance) and a representative of the Ministry of Foreign Affairs.

B) National Selection Commission for Sapard and Regional Selection Commissions

- Perform selection of projects worthy of financing;
- The *Commissions* have not yet been set-up;

- Chairpersons are appointed by the Minister of Agriculture by agreement with the Minister for Regional Development.

C) Sapard National Monitoring Committee and Regional Monitoring Committees

- Monitor the Sapard instrument/Programme;
- The *Committees* have not yet been set-up;
- Chairpersons are appointed by the Minister of Agriculture by agreement with the Minister for Regional Development.

D) Sapard Paying Agency

- Organises flows of finances for the Sapard Programme at the level of an Implementing Agency;
- The *Sapard Paying Agency* has been set up as an independent department in the economic section of the Ministry of Agriculture;
- Established: by the Minister of Agriculture.

2. Basic Principles of Co-ordination of the use of European Community Assistance in the Czech Republic

- a) The system for co-ordinating the instruments of European Community assistance in the pre-accession period in the Czech Republic (Phare, Ispa and Sapard) is based on the principle that use of these instruments should be mutually complementary, that there should be no overlaps and that the use of European Community funds and funds from the State Budget and other sources designed to co-finance these instruments should be effective; this is co-ordinated by the Ministry of Finance in collaboration with the Ministry for Regional Development, the Ministry for Foreign Affairs and the ministries concerned;
- b) The co-ordination system controls the use of European Community assistance instruments to achieve the goals of the pre-accession strategy as indicated in the National Programme for Adoption of Acquis (NPAA) and in the Accession Partnership; this is co-ordinated by the Ministry of Finance in collaboration with the Ministry for Regional Development, the Ministry of Foreign Affairs and the ministries concerned;
- c) The co-ordination system respects the link between the activity of the co-ordinating bodies for use of European Community assistance and the Government Commission for European Integration (GCEI) and the Working Committee for the Czech Republic's Integration to the EU (WCCRI); these Committees monitor the use of European Community finances in line with the priorities of the Czech Republic and its preparation for EU entry and assess implementation of European Community assistance programmes in terms of substance and finances; GCEI and/or WCCRI also discuss proposals for new priorities in the event of reallocations;
- d) The ministries concerned are responsible for the substantive content of the European Community assistance instruments, including the related drawing up of programme documents and the implementation and monitoring of the implementation of European Community assistance; they inform the National Aid Co-ordinator and co-operate with him;
- e) The Ministry for Regional Development is responsible for co-ordinating the substantive content of assistance instruments in the area of economic and social cohesion, including the related drawing up of programme documents and implementation and monitoring of the implementation of EU assistance;

- f) The persons responsible for the use of European Community assistance are the Ministers of the Government of the Czech Republic and the persons they charge therewith; the co-ordinating bodies named herewith, oversee co-ordination;
- g) The basic programme (concept) documents affecting the use of European Community assistance are approved by the Government on a proposal from the Ministers responsible;
- h) The Ministers responsible inform the Government about preparations for use of European Community assistance instruments and their implementation and about problems in these areas; in the case of the Phare Programme, the Minister of Finance, in particular, informs the Government; in the case of economic and social cohesion, the Minister for Regional Development, in particular; in the case of Ispa, the Minister for Regional Development, the Minister of the Environment and the Minister of Transport and Communications, in particular; in the case of Sapard, the Minister of Agriculture, in particular; in the case of implementation of the Competitiveness SOPs, the Minister of Industry and Trade, in particular; in the case of implementation of the Human Resources Development SOPs, the Minister of Labour and Social Affairs, in particular; and where appropriate other Ministers;
- i) The Minister of Finance annually supplies the Government with a summary report on the preparation and use of European Community assistance instruments and informs the Government of serious problems as they arise;
- j) In the co-ordination system the responsible Ministers and charged co-ordinating bodies keep each other well informed, exchange reports, send out documents (including the punctual drawing up and distribution of minutes of meetings, containing a description of problems and substantiated conclusions) and consult emerging problems with relevant bodies;
- k) The responsible ministries and the co-ordinating bodies inform the National Aid Co-ordinator of all important circumstances regarding the preparation and implementation of programmes and, in collaboration with the National Aid Co-ordinator, immediately resolve all problems that might arise during the preparation or implementation of projects;
- l) The Ministry of Finance, in collaboration with the Ministry for Regional Development and other ministries, ensures that the procedures for selecting projects are consistent with the rules for allocation of contributions from the State Budget and from European Community and other sources;
- m) The Ministry of Finance, in collaboration with the Ministry for Regional Development and other ministries, ensures that the system for monitoring the use of European Community assistance, through the monitoring committees and the related monitoring systems, is consistent;
- n) The Ministry of Finance, in collaboration with the Ministry for Regional Development and other ministries, ensure that the system for checking the use of European Community assistance is consistent on the basis of Government Resolution no. 705/1999, and in line with the proposals of the Act on Budget Rules and Amendments to Certain Related Acts (budget rules) and the Act on Financial Control in the Public Administration;
- o) European Commission representatives attend sessions of the supreme co-ordinating bodies (as members in the *Joint Monitoring Committee* and in the *Monitoring Committee for Economic and Social Cohesion*, and as invited Observers in the *National Programme Committee for Economic and Social Cohesion*, in the *Ispa Co-ordinating Committee* and in the *Joint Commission for Preparation and Implementation of the Sapard Programme*); these bodies conduct preparatory meetings without European Commission representatives

(in the case of the *Joint Monitoring Committee*, the *Monitoring Sub-Committee (JMC Preparatory Working Group)* carries out preparatory meetings);

- p) The National Aid Co-ordinator and the Ministry of Foreign Affairs are consulted in advance on matters relating to negotiations on the use of European Community assistance conducted by the responsible Ministers with the appropriate DG of the European Commission and with the Delegation of the European Commission in the Czech Republic, and are subsequently informed about the outcomes of these negotiations;
- q) Official negotiations with DG Enlargement and the submission of the Czech side's proposals to DG Enlargement, as well as conducting steering negotiations for the Czech Republic with the European Commission Delegation in the Czech Republic in matters of European Community assistance, are handled by the Minister of Finance and the National Aid Co-ordinator, in collaboration with the Ministry of Foreign Affairs.

3. Specification of the Functions of the National Aid Co-ordinator

In particular, the National Aid Co-ordinator:

- a) Collaborates with the Ministry of Foreign Affairs, the Ministry for Regional Development and with other responsible ministries and with the appropriate co-ordinating bodies, in proposing the priorities for individual programmes and negotiating them with the European Commission in line with the strategic documents (*National Programme for Adoption of Acquis*, *Accession Partnership*, *Regular Assessment Reports* and the results of *screening* or negotiations on the Czech Republic's accession to the European Union);
- b) Collaborates with individual ministries and organs of state administration when drawing up the priorities set and working them into integral programme (concept) documents and submitting them to the Government of the Czech Republic and subsequently to the European Commission;
- c) Co-ordinates the drawing up of summary national programme documents for European Community assistance with the relevant ministries and organs of state administration, before they are submitted to the European Community, in such a way that European Community pre-accession assistance is used as effectively as possible and so that the individual programmes complement each other;
- d) Presents any variances arising when drawing up the summary national programme documents for European Community assistance, via the Minister of Finance, to the Government Committee for European Integration for decisions;
- e) Sends the basic summary programme documents regarding European Community assistance to the European Commission;
- f) After reaching agreement with the ministries concerned, the National Aid Co-ordinator signs the Financing Memoranda of the approved programmes for the Czech Republic; in the event of objections to the European Commission proposals from the ministries concerned, the National Aid Co-ordinator, in collaboration with the Ministry of Foreign Affairs, conducts the relevant negotiations with the European Commission;
- g) Oversees implementation of the approved programme documents and their priority objectives, monitoring the preparation and implementation of specific projects;
- h) Based on the approved programme documents and signed Financing Memoranda, the National Aid Co-ordinator collaborates with the National Authorising Officer to formulate applications for money transfers from the European Commission to the Czech Republic;

- i) Oversees monitoring of the preparation and implementation of programmes and projects that fall under the responsibility of the relevant ministries and organs of state administration in such a way that any possible problems are identified in good time; the National Aid Co-ordinator receives summary reports from the Ministry for Regional Development on the results of the monitoring of the preparation and implementation of programmes and projects in the area of economic and social cohesion;
- j) Consults the ministries concerned in the event of decisions affecting them and passes on to them, without delay, all the information acquired on the areas under their jurisdiction;
- k) Oversees the implementation of individual programmes by the relevant Implementing Agencies;
- l) Based on the results of monitoring the implementation of individual programmes, the National Aid Co-ordinator prepares the materials necessary for approval of transfers of monies from the National Fund to the Implementing Agencies in the individual phases of projects, approval of which is under the jurisdiction of the National Authorising Officer;
- m) Is responsible for preparing materials for the *Joint Monitoring Committee*, including proposals for decisions to reallocate monies to ensure that they are put to optimal use;
- n) Negotiates with the relevant responsible ministries and other organs of state administration on matters related to European Community assistance programmes and, in the event of problems in the preparation and implementation of European Community assistance programmes, proposes, in collaboration with these ministries and organs, possible solutions and, where the solutions require co-operation with the European Commission, discusses these, together with the Ministry of Foreign Affairs, with the European Commission;
- o) Prepares materials for the Minister of Finance for discussion by the Government Committee for European Integration and by the Working Committee for the Czech Republic's Integration to the EU, or possibly directly by the Government of the Czech Republic, and is responsible for preparing materials and proposing measures for their decisions;
- p) Draws up, in collaboration with other responsible ministries, the annual summary report on the use of instruments of European Community assistance for the Government of the Czech Republic, submitted by the Minister of Finance;
- q) Is responsible, in collaboration with other ministries, for keeping the broadest possible public informed about European Community assistance programmes in the Czech Republic;
- r) Carries out other related functions – in particular, the National Aid Co-ordinator, in collaboration with other responsible ministries, co-ordinates the receipt of European Community assistance with other forms of bilateral and multilateral financial assistance;
- s) The National Aid Co-ordinator's opposite number in the European Commission is *DG Enlargement* and the Head of Delegation of the European Commission to the Czech Republic. On the national level the National Aid Co-ordinator negotiates with Ministers' responsible deputies; in particularly urgent cases he can deal with the Ministers firsthand. The National Aid Co-ordinator consults important steps relative to the European Commission with the Ministry of Foreign Affairs and with the ministries concerned;
- t) The National Aid Co-ordinator's executive office is the Centre for Foreign Assistance (Ministry of Finance).

The specification of the functions of the National Aid Co-ordinator does not affect the substantive responsibilities of the other bodies and the co-ordination powers and duties of the already established co-ordination bodies in the area of the preparing programmes and programme documents and also the implementation and monitoring of programmes.