



The Ministry of the Environment

The EU Funds Department

Ref. No.: 4282/330/08

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## The Minutes from

### *The 4<sup>th</sup> meeting of the Monitoring Committee of the Operational Programme Environment held in Palác Dunaj, Prague, on 10 November 2008*

Participants: as shown in the attached attendance list

The meeting's Chair: Ing. Rut Bízková, the Chair of the Monitoring Committee of the OP E, Deputy Minister-Director General, Directorate of Environmental Economics and Policies

#### Meeting's agenda:

1. Opening – the opening statement by the Chair of the MC OP E and approval of the agenda of the 4<sup>th</sup> meeting of the MC OP E
2. Discussion and approval of amendments to the Rules of Procedures of the MC OP E
3. Discussion and approval of the Implementation Document of the OP E
4. Discussion and approval of the Indicative Annual Evaluation Plan of the OP E for 2009
5. The OPE's progress implementation report
6. Discussion and approval of the Plan for Drawing OP E Technical Assistance for 2009, information about the draw and projects so far
7. Information about the approved Communication Plan of the OP E and the annual communication plan of activities for 2009
8. Miscellaneous
9. Conclusion

#### **Ad 1) Opening – the opening statement by the Chair of the MC OP E and approval of the agenda of the 4<sup>th</sup> meeting of the MC OP E**

The meeting was opened by the Chair who welcomed all participants and introduced the agenda's main items. With 37 members present, the committee had a quorum. The meeting's agenda was consensually approved by the members.

To begin, the Chair reminded everybody that pursuant to the MC OP E's Statutes (Article 7(2)), the MC shall adopt resolutions consensually. She proposed the minutes from the



meeting be shortened and include only essential comments and conclusions from the meetings. The proposal was consensually approved.

*The Chair* summarised the conclusions and tasks from the April MC meeting. She confirmed that financial resources ranging between CZK 1.5 and 2.0 billion are expected to be provided to projects that have already been approved and partially and fully implemented. Projects implemented this year will be fully financed; projects partially implemented will be financed up to the portion of the project that has been completed.

## **Ad 2) Discussion and approval of amendments to the Rules of Procedure of the MC OPE**

*Ing. Petr Novák (MoE)* presented proposed amendments to the MC OPE's Rules of Procedure, approved at the April meeting, concerning the dates and number of MC meetings held per year (see Article 1(3)). Furthermore, he presented new amendments proposed by the MC Secretariat:

1. Both the invitation and supporting documents would only be sent electronically (see Article 1(3));
2. In the event of a written "per rollam" procedure, communication will only occur electronically (see Article 1, (10)).

The above amendments to the MC OPE's Rules of Procedure were consensually approved by the members.

## **Ad 3) Discussion and approval of the Implementation Document of the OPE**

*Ing. Petr Valdman (SEF)* presented proposed amendments to the ID OPE:

1. A new chapter entitled "The Code of Ethics" was added;
2. Substantial amendments were made to the "Public Aid" chapter;
3. More substantial amendments were made to the "Eligible Expenses" chapter and both eligible and ineligible expenses were modified in this chapter;
4. The other amendments concerned area of intervention 3.2 (limiting the number of projects and the maximum amount of subsidies), Priority Axis 3 (supported areas and aid beneficiaries), Priority Axis 5 (specific objectives and supported projects), areas of intervention 6.3 and 6.4 (co-financing conditions), Priority Axes 4, 6 and 7 (specific criteria of acceptability), the definition of major projects (an amendment to and specification of the definition pursuant to a document issued by the Ministry of Finance), amendments to the definition of the position of the Agency for Nature Conservation and Nature in relation to the implementation structure (and other new amendments).

*The Chair* opened a discussion on the presented comments and asked for approval of the amended and specified specific criteria under Priority Axis 7 (pp. 151 and 152):

1. For the redevelopment of existing buildings of centres and advisory centres, she suggested the following sentence be explicitly added under the first bullet point: "This requirement does not apply to the redevelopment of buildings where the achievement of specified values is clearly not possible because of their cultural value; however their energy efficiency will be greater than before".



2. The Chair also suggested adding the following sentence under the fifth bullet point: “In order to include the costs of such an adjustment in eligible expenses, it shall be supported by an expert opinion from a monument conservation authority that states achieving better values is not possible in a given case and the suitability of a specific solution shall be proved by a detailed structural and physical analysis. The structure of and the items included in the submitted budget shall allow for distinguishing between the costs of different structural adjustments”.

*Ing. Pavel Bartoš (The Chamber of Commerce)* drew attention to the somewhat unfortunate status of waste disposal in the Czech Republic – the volume of municipal waste deposited in landfills has to be decreased. Within this meaning, related documents should be amended so that the development of integrated municipal waste disposal systems, including all requisites, could be started in the existing programming period and there could be a reduction in the volume of bio-degradable waste deposited into landfills.

Based on members’ suggestions, it was proposed to amend the chapter entitled “The Code of Ethics”, Article 14 (p 193), related to its utility towards the public, i.e. applicants and beneficiaries, to read “helpful within the identified rules”.

*Ing. Jan Kužel (MoE)* proposed an amendment concerning civic association and Priority Axis 2 (p 34) in relation to entities that obtain support. The amendment concerns the first table of chapter 3.2.6 Aid Beneficiaries, line “civic associations”:

1. Tick off “2.1 Air quality” for “CHS”
2. Tick off “2.2 Emission Reduction” for “over 5 MW modernisation”

The above amendments to the ID OP E were consensually approved by the members.

#### **Ad 4) Discussion and approval of the Indicative Annual Evaluation Plan of the OP E for 2009**

*RNDr. Markéta Domasová, Ph.D. (MoE)* delivered a presentation on this issue.

*Michaela Břízová (EK)* asked about activity No 2 (Audits of OP E projects) – Why should this evaluation extend until the first quarter of 2009 if the activity is supposed to terminate by 20 December 2008, i.e. within a year after the operational programme’s approval pursuant to Article 71?

*Ing. Novák (MoE)* – Pursuant to Article 71, the report was prepared by the Managing Authority, entered into the information system a week before and is waiting for approval by the Audit Authority. After that, it will be sent to the Commission. The aforementioned project is not related to this report; instead, it elaborates on and evaluates the entire system. This should show how the system could be made more effective.

*Christos Gogos (the Commission)* proposed and recommended the following:

1. The application administration system (one of the followed evaluation activities in 2009) should be simplified and shortened;
2. A document (presentation) evaluating the implementation and monitoring systems’ efficiency should be prepared for the next MC meeting (what results from the ongoing projects what improvements have been made, how the system works, how the data is transferred into a uniform national monitoring system, what kind of data is transferred at the national level, how it is processed and filtered);



3. In addition to the administration and methodology, the implementation of projects should be covered in greater detail in the future – assessment on how the projects follow the plans in the field, whether there are any delays against the beneficiaries' schedules and what improvements can be made in this area – and the execution by final beneficiaries.

In response to point 2 above, *Ing. Novák (MoE)* specified that the orientation of evaluation project No. 4 “The OP ’s Implementation System” is only general, i.e. it focuses on processes, their functioning in the Intermediate Body and the Managing Authority and their mutual interaction. An evaluation project focused on monitoring and information systems will be included in a later evaluation, most likely in 2010.

*The Chair* confirmed that a document on the system’s global functioning would be prepared for the next MC meeting.

The above plan was consensually approved.

### **Ad 5) OP E’s progress implementation report**

*Ing. Jan Kříž (MoE)* summarised the state of the implementation and said it was proceeding at a good pace and the operational programme has been generally successful. The total number of approved applications was 1 259, which accounts for a financial subsidy of EUR 500 million. As far as the N+3 rule implementation is provided, the allocated resources are to be used before the end of 2010. He also summarised the state of financial and economic analysis in relation to a change in the methodology used to calculate support and outlined the development of the housing issue. He pointed out that over 200 individual water management projects under the 3<sup>rd</sup> call are not included in the report since they would be submitted for recommendation to the MA of the OP E on 13 November.

*Christos Gogos (the Commission)* proposed and recommended the following:

1. The table containing an overview of the OP E’s projects as of 15 September 2008 should be included in the report as an annex;
2. The financial plan for drawing OP E Technical Assistance for 2009 should also be included in the report as an annex;
3. Chapter 2.2.6.1 “The analysis of achieved results” should include a future estimate, e.g. what is the volume of anticipated requests of payments filed by beneficiaries by the end of the year and estimated progress in the field;
4. The Threshold Value in relation to the N+3 rule for the 2007 allocation should be monitored in the future in Table 2, chapter 2.2.2.1 “The N+3/N+2 rule (effective from 2010)” in order to facilitate the certification and plan expenses and present estimates in the report;
5. A detailed description of the information system’s functioning (a description of the current status) should be submitted at the next MC – how is data transferred at the national level, whether it is done online and in what time intervals and what type of information is transferred into the national system;
6. Updated organisational charts for the Managing Authority and the Intermediate Body should be submitted at the next MC and should show administrative capacity (part of



Chapter 2.3), containing relevant information about how many employees are involved and in which departments;

7. The report should be presented by individual priority axis at the next MC meeting.

*Ing. Jan Kříž (MoE)* summarised the state of major projects and the involvement of the JASPERS initiative. The Managing Authority of the OP E anticipates that all major projects will be assessed by experts within the initiatives upon recommendation by the Commission. This means that each project will be individually assessed by JASPERS experts. At the December meeting of the Managing Committee of the OP E, two major projects will be discussed that the Managing Committee would like to submit to the Commission before the end of the year. Two more projects will be transferred under major projects because of Czech crown exchange rate changes and two more major projects are under preparation. The MA hopes to submit the above four projects to the Commission during the first quarter of 2009.

*Christos Gogos (the Commission)* proposed and recommended the following:

1. The report for the next MC meeting should also include a report from JASPERS – JASPERS' action plan, including a list of major projects based on relevant priority axis, to be submitted to the Commission in 2009. Expenses and JASPERS opinions should be provided for these projects;
2. Data as of previous closing dates should be left in Table 6 (p. 15) effective from the next MC and completed with data for the following closing data for comparison;
3. New characteristic projects should be presented within the report submitted at each MC meeting.

*The Chair* promised to present projects from each priority axis at the next meeting as good practice examples.

*Christos Gogos (the Commission)* pointed out that there were some data missing in Table 6, third column (Financial resources and their proportion of approved projects) in areas of intervention 1.2 and 1.3.

*Ing. Jan Kříž (MoE)* confirmed that two approved projects from the first call were missing in area of intervention 1.2. This information will be provided.

*Ing. Pavel Bartoš (the Chamber of Commerce)* pointed out Table 15 on p. 23 was missing.

*Michaela Břízová (the Commission)* mentioned the issue of audit and said that according to *Ing. Novák's (MoE)* statement, the description of management and control systems has not yet been finalised. She called upon the Managing Authority to answer the questions raised by the European Court of Auditors in relation to the rejected audit strategy as soon as possible. She pointed out that the approval of management and control systems is subject to this strategy.

#### **Ad 6) Discussion and approval of the Plan for Drawing OP E Technical Assistance for 2009, information about the draw and projects so far**

*Mgr. Ivona Kristiánová (MoE)* gave a presentation on Technical Assistance (hereinafter referred to as TA).

In response to Mr Gogos' question regarding Annex No 3 "An Overview of TA Projects – Areas of Intervention 8.1 and 8.2 (SEF)" that is included in the report, the Chair promised that



a more detailed list of “employee development activities” would be prepared for the next MC meeting (activity No. 6).

*Mgr. Ivona Kristiánová (MoE)* presented the Technical Assistance Financial Plan for 2009 and asked the MC members for their approval.

*Christos Gogos (the Commission)* proposed seminars and workshops to be organised for final beneficiaries. In response to this proposal, Mr Štěpánek (SEF) named a number of seminars that had been organised for beneficiaries by the Fund.

The above Financial Plan was consensually approved by the members.

### **Ad 7) Information about the approved OP E Communication Plan and the annual communication plan of activities for 2009**

*Ing. Eva Richtrová (MoE)* presented the OP E’s Communication Plan and communication activities implemented in 2008 and the OP E’s Communication Plan for 2009.

In response to Mr Gogos’ question as to the number of employees participating in communication activities, Mr Kříž (MoE) summarised that there was one internal employee from the EU Funds Department; in the future, the involvement of an external company – a publicity consultant and the Spokesperson of the Ministry of the Environment are anticipated. They will provide information about the operational programme. Mr Štěpánek provided information on behalf of the State Environmental Fund, the Department of Internal and External Communication that deals mainly with the OP E; the editor in chief and the contributor of *Priorita* magazine; an editor and 1-2 external employees; two employees dedicated to printed material; the State Environmental Fund’s Spokesperson.

### **Ad 8) Miscellaneous**

*Ing. Novák (MoE)* proposed the next MC meeting be held between May and June so that the members of the MC can approve the OP E’s Annual Report before it is dispatched to the Commission at the end of June. Another MC meeting would be held between November and December. The date of the MC OP E’s meeting was temporarily postponed by a month because of an OP Infrastructure meeting being held in the preceding months.

*The Chair* proposed the next MC meeting be held on 25 May 2009. However, this date is subject to approval by the National Coordination Authority.

In light of these circumstances, *Christos Gogos (the Commission)* proposed deadlines of 31 March 2009 and 30 September 2009.

The MC preliminary acknowledged these dates.

### **Ad 9) Conclusion**

*The Chair* thanked the members for participating in the meeting and concluded the MC meeting.



### A summary of tasks and recommendations by the Commission

<b>TASKS</b>			
<b>No.</b>	<b>Task</b>	<b>To be resolved by</b>	<b>Deadline</b>
<b>The Implementation Document of the OP E:</b>			
1.	Amend the ID of the OP E within the meaning of the comments addressed at the meeting of the MC OP E.	SEF	The final version of the minutes
<b>RECOMMENDATIONS BY THE EC</b>			
<b>No.</b>	<b>Recommendation</b>	<b>To be solved by</b>	<b>Deadline</b>
<b>Proposed evaluation projects topics:</b>			
1.	An analysis of the system of application administration as an incentive for the possible shortening and streamlining of the system.	MA	Resolved under the current evaluation plan for 2009
2.	An assessment of the information system's functioning	MA	Might be included in the evaluation plan for 2010
3.	An assessment of the programme's implementation (down to the project level)	MA	Might be included in the evaluation plan for 2010
<b>OPE's implementation report:</b>			
1.	Complete the report annex – an overview of projects.		Already included
2.	Complete the report – Technical Assistance drawing		Already included
3.	Complete the report – estimated payment requests	MA	Next MC
4.	Monitor the N+3/N+2 rule more closely	MA	Next MC
5.	Complete the report – information system's functioning	MA	Next MC
6.	Submit updated MA and IB organisational charts to the Commission	MA	January 2009
7.	Present the report by priority axis	MA	Next MC



8.	Complete two approved projects in area of intervention 1.2. under the 1 <sup>st</sup> call	The list is correct; these are 2 group projects with prevailing support under area of intervention 1.2. – Decreasing water pollution	
9.	Provide more details on JASPERS activities, including a list of major projects	MA	Next MC
10.	Complete missing table No. 15 on p. 23	MA	Next MC
11.	Also provide data for the previous period for comparison purposes	MA	Next MC
12.	List new typical projects in the report	MA	Next MC
<b>The plan of drawing OP E Technical Assistance for 2009, information about drawing and projects to date:</b>			
11.	Prepare a more detailed list of “employee development activities” (activity No. 6).	MA/SEF	Next MC

<b>The proposed date of the MC meeting:</b>	<b>Date: 25 May 2009</b>
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**Annexes:**

1. The MC OP E’s Rules of Procedure approved on 10 November 2008
2. The Implementation Document approved on 10 November 2008
3. The attendance sheet
4. The distribution list (a list of names of the members of the MC of the OPE)

Minutes taken by: Ing. Simona Dušková  
The EU Funds Department, MoE

Verified by: Ing. Petr Novák  
The EU Funds Department, MoE

Approved by: Ing. Rut Bízková  
The Deputy Minister-Director General, Directorate of Environmental Economics and Policies and the Chair of the Monitoring Committee of the OP E